United Nations

Advisory Committee on Administrative and Budgetary Questions

First report on the proposed programme budget for the biennium 2004-2005

General Assembly
Official Records
Fifty-eighth Session
Supplement No. 7 (A/58/7)

General Assembly
Official Records
Fifty-eighth Session
Supplement No. 7 (A/58/7)

Advisory Committee on Administrative and Budgetary Questions

First report on the proposed programme budget for the biennium 2004-2005

United Nations • New York, 2003

Note

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

ISSN 0255-1470

[5 August 2003]

Contents

Chapter		*Paragraphs*	*Page*
	Preface		1
I.	General comments, observations and recommendations	1–157	3
	A. Format and presentation	6–29	4
	B. Methodology	30–32	9
	C. Reallocation of resources	33–45	10
	D. Restoration of budget cuts	46–47	15
	E. Flexibility	48–49	16
	F. Personnel matters	50–79	16
	G. Position of the Advisory Committee on requests for additional posts	80–83	22
	H. Other staff costs, consultants and experts	84–96	23
	I. Travel	97–99	26
	J. Publications	100–105	26
	K. Liaison offices	106	28
	L. Pouch services	107	28
	M. Information technology	108–126	28
	N. Extrabudgetary resources	127–137	34
	O. New format of chapter II	138–139	37
	P. Cooperation with other United Nations bodies	140	37
	Q. Recapitulation and overall position of the Advisory Committee on the initial estimates for the biennium 2004-2005	141–157	39
II.	Detailed recommendations on the proposed programme budget	I.1–IS3.19	44
	A. Estimates of expenditure	I.1–XIII.11	44
	Part I **Overall policy-making, direction and coordination**	I.1–I.87	44
	Section 1. Overall policy-making, direction and coordination	I.1–I.29	44
	Section 2. General Assembly affairs and conference services	I.30–I.87	51
	Part II **Political affairs**	II.1–II.39	63
	Section 3. Political affairs	II.1–II.12	63

Section 4. Disarmament II.13–II.21 66

Section 5. Peacekeeping operations II.22–II.38 68

Section 6. Peaceful uses of outer space II.39 71

Part III
International justice and law III.1–III.38 72

Section 7. International Court of Justice III.1–III.23 72

Section 8. Legal affairs III.24–III.38 77

Part IV
International cooperation for development IV.1–IV.82 80

Section 9. Economic and social affairs IV.1–IV.35 80

Section 10. Least developed countries, landlocked developing countries and small island developing States IV.36–IV.40 87

Section11. United Nations support for the New Partnership for Africa's Development IV.41–IV.44 88

Section 12. Trade and development IV.45–IV.58 89

Section 13. International Trade Centre UNCTAD/WTO IV.59–IV.61 92

Section 14. Environment IV.62–IV.67 93

Section 15. Human settlements IV.68–IV.73 94

Section 16. Crime prevention and criminal justice IV.74 95

Section 17. International drug control IV.75–IV.82 96

Part V
Regional cooperation for development V.1–V.92 97

General comments on part V V.1–V.6 97

Section 18. Economic and social development in Africa V.7–V.29 99

Section 18A. Regional commission V.7–V.27 99

Section 18B. Regional Commissions New York Office V.28–V.29 103

Section 19. Economic and social development in Asia and the Pacific V.30–V.41 104

Section 20. Economic development in Europe V.42–V.55 106

Section 21. Economic and social development in Latin America and the Caribbean V.56–V.74 109

Section 22. Economic and social development in Western Asia V.75–V.86 113

Section 23. Regular programme of technical cooperation V.87–V.92 115

Part VI
Human rights and humanitarian affairs VI.1–VI.25 117

Section 24. Human rights VI.1–VI.11 117

Section 25. Protection of and assistance to refugees VI.12–VI.14 119

Section 26. Palestine refugees . . . VI.15–VI.16 120

Section 27. Humanitarian assistance . . . VI.17–VI.25 121

Part VII
Public information . . . VII.1–VII.16 123

Section 28. Public information . . . VII.1–VII.16 123

Part VIII
Common support services . . . VIII.1–VIII.62 126

Section 29. Management and central support services . . . VIII.1–VIII.8 126

General comments on part VIII . . . VIII.1–VIII.8 126

Section 29A. Office of the Under-Secretary-General for Management . . . VIII.9–VIII.15 128

Section 29B. Office of Programme Planning, Budget and Accounts . . . VIII.16–VIII.24 130

Section 29C. Office of Human Resources Management . . . VIII.25–VIII.37 132

Section 29D. Office of Central Support Services . . . VIII.38–VIII.52 135

Section 29E. Administration, Geneva . . . VIII.53–VIII.57 138

Section 29F. Administration, Vienna . . . VIII.58–VIII.60 139

Section 29G. Administration, Nairobi . . . VIII.61–VIII.62 140

Part IX
Internal oversight . . . IX.1–IX.6 141

Section 30. Internal oversight . . . IX.1–IX.6 141

Part X
Jointly financed administrative activities and special expenses . . . X.1–X.27 143

Section 31. Jointly financed administrative activities . . . X.1–X.21 143

International Civil Service Commission . . . X.2–X.5 143

Joint Inspection Unit . . . X.6–X.13 144

United Nations Chief Executives Board for Coordination . . . X.14–X.16 145

Inter-organizational security measures . . . X.17–X.21 146

Section 32. Special expenses . . . X.22–X.27 147

Part XI
Capital expenditures . . . XI.1–XI.3 148

Section 33. Construction, alteration, improvement and major maintenance . . . XI.1–XI.3 148

Part XII
Staff assessment . . . XII.1–XII.2 149

Section 34. Staff assessment . . . XII.1–XII.2 149

Part XIII
Development Account . . . XIII.1–XIII.11 150

Section 35. Development Account . . . XIII.1–XIII.11 150

B. Estimates of income IS1.1–IS3.19 151
  Income section 1. Income from staff assessment IS1.1–IS1.2 151
  Income section 2. General income IS2.1–IS2.5 152
  Income section 3. Services to the public IS3.1–IS3.19 153

Annexes

I. Proposed regular budget established and temporary posts by part of the programme budget . . . 156
II. Extrabudgetary posts: summary by section of the programme budget and by level for the bienniums 2002-2003 and 2004-2005 158
III. Extrabudgetary posts by category of expenditure 166
IV. Total number of posts by source of funds and grade level 169
V. Vacancy statistics for posts authorized under the regular budget 171
VI. General temporary assistance resources 173
VII. Breakdown of the decrease in general temporary assistance in the Department of Political Affairs 174
VIII. Regular budget positions funded through general temporary assistance 176
IX. Response of the Secretariat to General Assembly resolution 57/304 on the information and communication technology strategy 178
X. Significant workload indicators for section 2, General Assembly affairs and conference services, of the proposed programme budget for the biennium 2004-2005 181
XI. Letter from the Chairman of the Advisory Committee on Administrative and Budgetary Questions to the Secretary-General dated 18 November 2002 192

Comments of the Advisory Committee on reports other than the proposed programme budget for 2004-2005

Interim report on results-based budgeting for the biennium 2002-2003 (A/57/478) 8–29 4
Information and communication technology strategy (A/57/620) 114–126 30
Utilization of conference facilities and services at the United Nations Office at Nairobi (A/57/809) I.84 62
The filling of the remaining vacancies in the Arabic and English Units in the Interpretation Section at the United Nations Office at Nairobi (A/57/783) I.84 62
Progress in the implementation of the field assets control system (A/57/765) II.36–II.37 71
Measures that would better streamline the policy guidelines related to the temporary duty assignment of staff in peacekeeping missions (A/57/787) II.38 71
Progress and impact assessment of management improvement measures (A/58/70) VIII.15 130
Construction of additional office facilities at the Economic Commission for Africa (A/58/154) XI.3 149
Report of the Joint Inspection Unit on United Nations system revenue-producing activities (A/57/707) IS3.18–IS3.19 155

Preface

1. The major functions of the Advisory Committee on Administrative and Budgetary Questions, as defined by the General Assembly in its resolution 14 (I) of 13 February 1946, are:

(a) To examine and report on the budget submitted by the Secretary-General to the General Assembly;

(b) To advise the General Assembly concerning any administrative and budgetary matters referred to it;

(c) To examine on behalf of the General Assembly the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies;

(d) To consider and report to the General Assembly on the auditors' reports on the accounts of the United Nations and of the specialized agencies.

The Advisory Committee also reports on the financing of peacekeeping operations, the International Tribunal for the Former Yugoslavia and the International Tribunal for Rwanda. In addition, the Committee reports on administrative budgets and other matters to the governing bodies of the United Nations Development Programme, the United Nations Children's Fund, the United Nations Population Fund, the Office of the United Nations High Commissioner for Refugees (voluntary funds), the United Nations Environment Programme (Environment Fund), the United Nations Habitat and Human Settlements Programme, the United Nations Institute for Disarmament Research, the United Nations Institute for Training and Research, the United Nations University, the World Food Programme, the United Nations International Drug Control Programme and the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

2. Under rule 156 of the rules of procedure of the General Assembly, the members of the Advisory Committee, no two of whom shall be nationals of the same State, shall be selected on the basis of broad geographical representation, personal qualifications and experience.

3. The Advisory Committee has the following membership:

C. S. M. Mselle (Chairman)
E. Besley Maycock (Vice-Chairman)
Andrzej T. Abraszewski
Manlan Narcisse Ahounou
Michiel W. H. Crom
Homero L. Hernandez
Nazareth A. Incera
Vladimir V. Kuznetsov
Felipe Mabilangan
Thomas Mazet
Susan M. McLurg
Rajat Saha
Sun Minqin
Nicholas Thorne
Jun Yamazaki
Mohamed M. Zahran

4. The present report contains the conclusions and recommendations arrived at by the Advisory Committee on the basis of the Secretary-General's proposals for the programme budget for the biennium 2004-2005, supplemented, to the extent possible, by additional information supplied orally or in writing by representatives of the Secretary-General. As in the past, provision is made in certain sections of the proposed programme budget for the biennium 2004-2005 for expenditures to which some Member States have objections in principle. Some members of the Committee have repeated those objections and stated their reasons therefor. At the same time, the Committee considered that the controversy concerning such items does not fall within the province of the Committee, which under rule 157 of the rules of procedure is responsible for expert examination of the programme budget of the United Nations.

C. S. M. **Mselle**
Chairman

Chapter I

General comments, observations and recommendations

1. The programme budget proposed by the Secretary-General for the biennium 2004-2005 amounts to $3,058,203,500 for the expenditure sections and $407,323,400 for the income sections (at 2004-2005 rates).[1] On a net basis, the estimates total $2,650,880,100. The General Assembly, in its resolution 57/280 of 20 December 2002, invited the Secretary-General to prepare his proposed programme budget for the biennium 2004-2005 on the basis of a preliminary estimate of $2,876.0 million at revised 2002-2003 rates. In the same resolution, the Assembly decided to consider in the proposed programme budget for 2004-2005, in addition to the preliminary estimate, a provision of $29.8 million for information technology and common services facility infrastructure.

2. In table 1, the estimates for 2004-2005 (at 2004-2005 rates) are compared with the revised appropriations for 2002-2003, as approved by the General Assembly in its resolution 57/293 of 20 December 2002, and with actual expenditure and income for the biennium 2000-2001. The increase in the expenditure estimates for 2004-2005 as compared with the revised appropriation for 2002-2003 is 5.8 per cent.

Table 1

Comparison of income and expenditure for the bienniums 2000-2001, 2002-2003 and 2004-2005

(Thousands of United States dollars)

				Total increase/(decrease) in 2004-2005 over 2002-2003	
Component	*(1) Actual 2000-2001*	*(2) Revised appropriation 2002-2003*	*(3) Estimate 2004-2005*	*(4) Amount (3)-(2)*	*(5) Percentage (4)÷(2)*
Expenditure	2 560 949.7	2 890 818.7	3 058 203.5	167 384.8	5.8
Income	383 039.0	414 429.6	407 323.4	(7 106.2)	(1.7)
Net	**2 177 910.7**	**2 476 389.1**	**2 650 880.1**	**174 491.0**	**7.0**

3. The programme budget proposals cover the regular budget of the Organization. The projections of extrabudgetary resources total $4,220,065,100. They comprise $699,996,500 for support activities, $1,237,891,800 for substantive activities and $2,282,176,800 for operational activities (see A/58/6 (Introduction), table 1). The grand total, including the net estimate for the regular budget, is therefore $6,870,945,200.

4. The estimates do not include the cost of peacekeeping operations or the International Tribunals for the Former Yugoslavia and Rwanda. The Advisory Committee was informed that for the periods from 1 July 2002 to 30 June 2003 and 1 July 2003 to 30 June 2004, the estimates for peacekeeping operations, excluding the costs of special missions covered under the regular budget, would total nearly $5 billion.

---

[1] The proposed programme budget for the biennium 2004-2005 is contained in documents A/58/6 (Introduction), A/58/6 (Sects. 1-35), A/58/6 (Income sects. 1-3) and A/58/6 (Sect. 3)/Corr.1.

5. The revised appropriations for 2002-2003 for the International Tribunal for the Former Yugoslavia and the International Tribunal for Rwanda (see General Assembly resolutions 57/288 and 57/289 of 20 December 2002), total $464,438,600 gross ($417,948,500 net), excluding the commitment authority of $2,177,700 gross ($879,200 net) for the recosting of resources for the International Tribunal for Rwanda for the biennium 2002-2003.

A. Format and presentation

6. As was the case for the current budget, the proposed programme budget for 2004-2005 was submitted in a timely manner, thus allowing the Advisory Committee the time necessary to consider it. The budget document features considerable streamlining. The new presentation is described in paragraphs 88 to 95 of the Introduction to the budget. Those paragraphs, as well as the annex to the Introduction, also contain information on the latest efforts to refine results-based budgeting.

7. The concerns expressed by the Advisory Committee in its report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/57/772) apply equally to the proposed programme budget of the United Nations. In particular, the format and structure of the budget fascicles need to be refined so as to establish a clear link between the descriptions of programmes and the related resource requirements. Moreover, requests for additional resources for both post and non-post requirements are often supported by mere declarations that the posts are needed. There is no justification in terms, for example, of workload, functional need and organizational structure. No analysis has been carried out of resource trends in comparison with previously approved levels. The additional information provided to the Committee was seriously deficient in that it tended merely to repeat the contents of the fascicle without adding much value. As with the peacekeeping budgets, the Committee is pursuing the matter with the Secretariat so as to ensure that it is provided with both the quantity and the quality of information foreseen for the streamlined approach.

8. The views of the Advisory Committee on the application of results-based budgeting to the proposed programme budget for the biennium 2002-2003 were expressed in paragraphs 9 to 18 of its first report on that budget.[2] Also relevant are the Committee's observations on results-based budgeting, objective-setting and presentation in its report on peacekeeping (A/57/772, paras. 37-56). In addition, during its consideration of the proposed programme budget for 2004-2005, the Committee took into account the interim report of the Secretary-General on results-based budgeting for the biennium 2002-2003 (A/57/478; see also A/57/7/Add.14).

9. **The Advisory Committee welcomes the changes and improvements made, including the introduction, for the first time, of performance targets.** The baselines and targets that have been added for the measurement of indicators of achievement are described in paragraph 23 of the Introduction to the budget. These are said to represent an important step, not only towards the eventual measurement of results, but also towards more effective results-based management of the work programme. Moreover, it is stated that with the inclusion of performance measures,

---

[2] *Official Records of the General Assembly, Fifty-sixth Session, Supplement No. 7* (A/56/7).

the logical framework[3] had been made fully operational and should, in the long run, make it easier for programme managers and staff to track progress made towards the overall direction of their activities (Introduction, para. 95). **The Committee agrees that the identification of results through performance measurement is an important step towards the realization of the logical framework. The Committee appreciates the first steps taken, but stresses that much more needs to be done in order to successfully shift the current emphasis on inputs to results achieved and accountability for the achievement of results. The Committee trusts that with continued effort progress will continue to be made in this area.**

10. In this connection, the Advisory Committee reiterates its observation set out in paragraph 14 of its first report on the proposed programme budget for 2002-2003,[2] that progress in the control of outputs and in the formulation of precise indicators of achievement will inevitably be tied to the development of a comprehensive programme information system that is linked to United Nations financial systems. The Committee recalls its reference to the Integrated Monitoring and Document Information System (IMDIS) and its limitations at that time in paragraphs IV.34 and IV.35 of the same report. The Committee requested information on the further development of IMDIS and the extent to which programme managers could get information from existing systems to monitor implementation performance and to ensure the systematic entry of data by programme managers.

11. The Advisory Committee was informed that IMDIS continued to function as the central system in the programme planning and implementation cycle and that the main report designed to share performance information was the IMDIS "catalogue of indicators". Programme managers could generate this report for a particular biennium across all programmes or for information on the methodology used or planned for the measurement of indicators of achievement. Much of this information had become available in IMDIS only recently, in the course of the ongoing reporting of results for 2002-2003 and the preparation of budget proposals for 2004-2005. However, with the full reporting of results for 2002-2003 and the entry of information covering a second biennium, it was foreseen that programme managers would have a growing repository of valuable information available in IMDIS.

12. IMDIS was developed under the guidance of the Office of Internal Oversight Services, in collaboration with the Programme Planning and Budget Division and the Department of Economic and Social Affairs. The Advisory Committee enquired about the capacity of IMDIS to monitor programmes and measure the implementation of results. It was informed that enhancements had been introduced during the biennium 2002-2003. The current version of IMDIS allows the input of data measuring actual results at a particular date or dates during the biennium, together with a description of the results realized for each indicator of achievement. Further information in this regard would be available upon the completion of the initial results-based-budget reporting cycle in December 2003.

13. The Advisory Committee was further informed that programme managers had access to the relevant budgetary and financial information (through the Budget Information System (BIS) and the Integrated Management Information System (IMIS)). The data in those systems were structured by section and subprogramme in the same manner as programmatic data were structured in IMDIS. As a pilot

---

[3] The logical framework consists of the following: (a) objectives for the biennium; (b) expected accomplishments; (c) outputs; (d) inputs.

activity, financial data in respect of section 35, Development Account, was already available in IMDIS as a result of the creation of an automated interface with IMIS. This would be used as the prototype for the enhancement of IMDIS planned for the next biennium, whereby user departments and offices would be able to access IMIS-generated financial data in IMDIS. This would create a linkage of programmatic and financial data for comprehensive analysis and reporting throughout the planning, programming, budgeting, monitoring and evaluation cycle.

Programme performance and reporting

14. **The Advisory Committee welcomes the progress made thus far and recognizes the "inherent difficulties associated with the measurement of results of some 'less quantifiable' aspects of the work carried out by the United Nations" (A/57/478, para 53). Nevertheless, from the evidence available, and despite the optimism reported in the preceding paragraphs, the Committee has concluded that, at this stage, no effective mechanism exists to monitor, evaluate and measure the results and impact of the programmes and activities of the United Nations, nor does there exist the necessary financial link to programmes and activities.**

15. **The investment in technology and staff training already made and to be made in the short and long term should be exploited more fully in order to remedy these deficiencies. Only by making progress in this field would programme managers be able to fulfil the goal embodied in the results-based-budget framework and would Member States be able to receive timely and accurate data and information when decisions are being taken.**

16. **On a related matter, the Advisory Committee is of the view that programme managers in the Secretariat should provide impact analyses in the context of reporting on reform implementation in their sectors and in the context of monitoring and evaluating programme outputs.**

17. In this connection, the Advisory Committee recalls its statement in paragraph 3 of its report on the first performance report on the programme budget for the biennium 2002-2003 (A/57/7/Add.16) that it intended to consider, in the context of the proposed programme budget for 2004-2005, appropriate changes to the performance report in the light of the development of results-based budgeting. The Committee recalls that the programme performance report for the biennium 2000-2001 (A/57/62) had been submitted by the Office of Internal Oversight Services in April 2002 after the preparation and approval of the 2002-2003 programme budget. Results from evaluation, and impact analysis should be available to intergovernmental bodies when they are considering plans and programmes for subsequent years. The Committee was informed by the Under-Secretary-General for Internal Oversight Services that the format and content of the report would be changed. The Committee was further informed that a pilot project was under way in the Department of Public Information.

18. **The Advisory Committee is of the opinion that the current practice of reporting on programme and financial performance separately and on separate cycles needs to be reformed to make it consistent with and supportive of results-based budgeting. The Committee therefore recommends that a single report be issued that would cover both programme and financial performance for the same period. Such reports should be available for use during the formulation and consideration of the proposed programme budget. Accordingly, the Committee recommends that the first trial report be produced**

in time for submission to the General Assembly at the first part of its fifty-ninth session.

Presentation of outputs, expected accomplishments, indicators of achievement and objectives

19. **Currently there is no consistent standard for formulating and presenting outputs. The mere listing of a very large number of outputs in the budget fascicle is irrelevant unless it is clear to what extent the outputs contribute to the attainment of the objectives and expected accomplishments for each of the subprogrammes.** In this connection, the Advisory Committee notes the reference to a "change in the management culture of the Organization, with the focus shifting from the delivery of outputs to the delivery of outputs for a purpose … The need to gather data for the implementation of results-based budgeting is expected to prompt a more concerted effort to ensure that the work goes beyond just the delivery of outputs" (Introduction, para. 95). **The Committee therefore expects that more progress will be made in the next budget estimates with respect to the presentation of outputs and relating them to expected accomplishments.**

20. **Moreover, a link should be made between expected accomplishments and the cost of the related outputs. For example, in many cases it is still not possible to determine what the consequential impact on expected accomplishments would be if adequate resources were not made available. It is hoped that the further development of the information systems referred to in paragraphs 11 to 13 above will facilitate this analysis in future.**

21. **The concern expressed by the Advisory Committee in paragraphs 13 to 15 of its report on the 2002-2003 budget**[2] **on the vagueness of stated objectives and expected accomplishments remains valid, despite the statement made in paragraph 92 of the Introduction. Continued efforts should be made to achieve greater precision and to ensure that the results sought are indeed achievable through the programme of work financed by the United Nations budget (see ibid., para. 11). For results-based budgeting to be a meaningful and useful exercise, there should also be a cooperative and collaborative approach between the programme managers and those who prepare the budget.**

22. **The Advisory Committee stresses that while descriptions of objectives are, indeed, closely linked to the language of legislative mandates, the expected accomplishments and related indicators of achievement need to be thought through by the Secretariat and described in a clear and concise manner.**

23. **For example, the expression of satisfaction by a legislative body is not an objective indicator of achievement. Statistics on the delivery of statements by delegations do not in and of themselves indicate the extent to which the Secretariat, through the use of approved budgetary resources, has enabled positive, quantifiable and verifiable change; vague, generic descriptions render the measurement of performance difficult, if not impossible. Generic descriptions of expected accomplishments repeated throughout the budget ("strengthened role"; "enhanced capacity") and indicators of achievement that are not quantifiable ("increased awareness"; "satisfaction expressed") should therefore be replaced with specific and concrete explanations.**

24. **The medium-term plan is the policy framework for preparing the proposed programme budget. The Advisory Committee is of the opinion that the content, nature and format of the objectives, expected accomplishments and**

indicators of achievement or performance measurements are, in large part, related to the quality of the medium-term plan. In this connection, the Committee notes the distinctions made, in paragraph 2 of the annex to the Introduction, between objectives and expected accomplishments. The Committee recognizes the difficulties resulting from the current state of the medium-term plan and the fact that the language used therein often reflects the outcome of negotiations arrived at through the political process. Moreover, the application of the programme planning regulations and rules has an impact on the preparation of the medium-term plan and also on the proposed programme budget. The Committee will revert to this issue when it considers the proposal of the Secretary-General to be submitted to the General Assembly pursuant to paragraph 32 of resolution 57/300 of 20 December 2002.

25. **In order to minimize coordination difficulties and to promote comparability, thereby reducing the difficulty of determining the workload that is to be shared among duty stations, standards for formulating expected accomplishments, indicators of achievement and performance measures should be consistent for similar services regardless of duty station. Moreover, if surveys are to be used to measure indicators of achievement, then it is essential that consistent standards be set for those surveys so that their results are evaluated using consistent, common factors.**

External factors

26. In paragraph 2 of the annex to the Introduction, reference is made to external factors that have been identified to reflect conditions or events that are beyond the control of the Organization. **In this regard, the Advisory Committee cautions that such factors should indeed be external; references to relations between organizational units, which appear throughout the budget, should not be invoked as external factors. Cooperation among units of the Secretariat should be a given; any indication to the contrary would point to management problems.**

Conclusion

27. **In the opinion of the Advisory Committee, unless there is continued progress to remedy the deficiencies described above, Member States, in order to exercise control and oversight, will continue to focus on inputs. Furthermore, as indicated above, it is essential to achieve progress in linking resources and outputs to results if the new, streamlined approach to the budget presentation is to be sustained. For progress to be made, the capacity to formulate and subsequently to measure indicators of achievement must be established.**

28. **The Advisory Committee is aware that the implementation of results-based budgeting is still in its early stages and that the experience in a number of countries and organizations is that it takes years of refinement for such a system to provide meaningful information for performance measurement and decision-making (see Introduction, annex, paras. 3-7); in this connection, the Committee notes the measures for continued improvement, as described in paragraph 3 of the annex to the Introduction, which were endorsed by the General Assembly in its decision 57/575 of 20 December 2002. The Committee also notes the steps outlined by the Office of Internal Oversight Services in its report (A/57/474, para. 46).**

29. **A greater degree of initiative on the part of programme managers is required to accelerate this process of refinement. The Advisory Committee has commented in detail on results-based budgeting in chapter II below, which may serve to amplify the observations contained in the present chapter; this is particularly true for section 9, Economic and social affairs, which contains a sample "case study".**

B. Methodology

30. The methodology used to prepare the financial requirements remains unchanged from that used for the 2002-2003 budget (see Introduction, paras. 81-87).

31. The Advisory Committee was informed that the average costs of continuing posts at initial 2004-2005 rates was as follows (in thousands of United States dollars):

Professional and above	318.6 (gross)	26.3 (net)
General Service and other	138.5 (gross)	114.9 (net)

There is a delayed recruitment factor of 50 per cent for new Professional posts and 65 per cent for new General Service posts (see Introduction, para. 82).

32. The Advisory Committee was also provided with information on the potential impact of each 1 per cent downward movement of the United States dollar against local currencies (see table 2).

Table 2

Potential impact of a 1 per cent downward movement of the United States dollar relative to other currencies

Cost station	*Exchange rates used in budget submission*	*Rates reflecting 1 per cent devaluation of the dollar*	*Currency-affected resources in 2004-2005*	*Impact of 1 per cent devaluation*
			(thousands of US dollars)	
Geneva	1.575	1.559	566 335.9	5 720.6
Vienna	1.073	1.062	97 026.4	980.1
The Hague	1.073	1.062	16 640.3	168.1
Economic and Social Commission for Asia and the Pacific	43.170	42.738	68 550.8	692.4
Santiago	735.000	727.650	55 892.5	564.6
Mexico	9.900	9.801	10 938.5	110.5
Addis Ababa	8.570	8.484	84 615.4	854.7
Nairobi	78.458	77.673	44 429.5	448.8
Economic and Social Commission for Western Asia	1 509.000	1 493.910	57 068.8	576.5
Port-of-Spain	6.098	6.037	4 981.8	50.3
Gaza	4.720	4.673	38 856.9	392.5
United Nations Military Observer Group in India and Pakistan	48.308	47.825	10 574.3	106.8
United Nations Truce Supervision Organization	4.720	4.673	43 327.2	437.6
Total gross			**1 099 238.3**	**11 103.4**

C. Reallocation of resources

33. A major feature of the proposed programme budget for the biennium 2004-2005 is the reallocation of resources to priority areas. As indicated in paragraph 15 of the Introduction:

> "Proposals for 2004-2005 are largely the result of the reallocation of resources among subprogrammes within each programme. An analysis of positive and negative growth of the 244 subprogrammes of the budget shows 182 subprogrammes growing by a total of $115.0 million, which is partially offset by 62 subprogrammes declining by a total of $100.0 million. A further alternative measure of reallocation activity is the number of posts redeployed. Out of 9,062 posts in the current programme budget, 810 posts, or 8.9 per cent of the total, are proposed for redeployment either within or between sections."

Positive and negative growth by budget section are shown in figures 1 and 2 of the Introduction, which follow paragraph 15.

34. Out of the total 810 redeployments shown in table 3 below, there are 796 within-section redeployments between programmes, between subprogrammes and within subprogrammes. Transfers between sections are limited to: (a) the transfer of eight posts from sections 8 (Legal affairs) and 29 (Common support services) to section 2 (General Assembly affairs and conference services) as follows: three posts (1 P-5 and two General Service (Other level)) relating to the secretariat of the Sixth Committee from section 8 and five posts (1 D-2, 1 P-5, 1 General Service (Principal level) and 2 General Service (Other level)) relating to the secretariat of the Fifth Committee from section 29A; and (b) the transfer of six posts (1 P-5, 3 P-3, 1 P-2 and 1 General Service (Other level)) of the Cartographic Unit from the Department of Public Information (sect. 28) to the Department of Peacekeeping Operations (sect. 5).

Table 3
Posts proposed for redeployment, 2004-2005

Budget section	*Professional category and above*								*General Service and related categories*						
	ASG	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2*	***Subtotal***	*PL*	*OL*	*SS*	*LL*	*FS*	***Subtotal***	***Total***
1. Overall policy-making, direction and coordination	1				1			**2**						**0**	**2**
2. General Assembly affairs and conference services[a]		1		2	2	16	1	**22**	14	76		6		**96**	**118**
4. Disarmament				1	1			**2**						**0**	**2**
5. Peacekeeping operations[b]				1		3	1	**5**		1				**1**	**6**
8. Legal affairs[c]						2		**2**						**0**	**2**
9. Economic and social affairs		1	5	8	12	9	6	**41**	9	24				**33**	**74**
12. Trade and development			1	3	2	5	1	**12**	1	2				**3**	**15**
15. Human settlements				1	2	1	2	**6**						**0**	**6**
17. International drug control				1			1	**2**	1	1				**2**	**4**
18. Economic and social development in Africa			2	11	22	21	9	**65**				155	3	**158**	**223**
19. Economic and social development in Asia and the Pacific			2	5	6	7	5	**25**				110		**110**	**135**
20. Economic development in Europe			1	3	3	4	2	**13**	1	11				**12**	**25**
21. Economic and social development in Latin America and the Caribbean			1	4	1	6	4	**16**				79	1	**80**	**96**
22. Economic and social development in Western Asia							1	**1**						**0**	**1**
28. Public information[d]					1			**1**		7				**7**	**8**
29. Management and central support services[e]			1	4	8	10	7	**30**	3	36				**39**	**69**
30. Internal oversight				3	5	6	4	**18**	2	3		1		**6**	**24**
Total	**1**	**2**	**13**	**47**	**66**	**90**	**44**	**263**	**31**	**161**	**0**	**351**	**4**	**547**	**810**

Abbreviations: ASG, Assistant Secretary-General; PL, Principal level; OL, Other level; SS, Security Service; LL, Local level; FS, Field Service.

[a] Includes 110 internal redeployments and 5 posts transferred from section 8 and 3 posts from section 29.

[b] Reflects 6 posts transferred from section 28.

[c] Reflects internal redeployments only, not the 3 posts transferred to section 2.

[d] Reflects internal redeployments only, not the 6 posts transferred to section 5.

[e] Reflects internal redeployments only, not the 5 posts transferred to section 2.

35. The Advisory Committee was informed that, where possible, requests for new posts or reclassifications, whether upward or downward, had been met first through redeployment. According to the Secretariat, the exercise reflects success in utilizing and shifting existing staff resources to meet new and changing mandates without, in these instances, requesting new posts.

36. **The Advisory Committee appreciates and commends the Secretariat for these efforts. The Committee fully supports redeployment as a way of implementing work programmes and avoiding requests for additional posts. However, the rationale for the number and grade levels of the proposed transfers between subprogrammes should always be obvious from the narratives, and the movement of staff between subprogrammes should always be based on workload requirements. In the majority of cases, the reason stated is the strengthening of a particular subprogramme or area, often after an expression of support from Member States. In the opinion of the Committee, there are many alternatives to requests for additional resources to strengthen the capacity to implement work programmes. Such alternatives would include the use of new technology and the streamlining of work implementation and management processes to increase efficiency and productivity. Besides, the training of staff, for which considerable resources are spent, could also lead to strengthening the capacity of the Organization.**

37. **Further, the Advisory Committee understands that in some cases, reform, streamlining or introduction of technologies could lead to the release of posts from a programme or subprogramme. Unless a need for these posts in other areas is fully demonstrated in terms of what has been stated in the preceding paragraph, consideration should be given to abolishing the posts.**

38. **Where tasks and projects in different subprogrammes can be completed within a finite time frame, the resources could also, where feasible, be redeployed or discontinued; it is therefore imperative that the time frame for the completion of projects and tasks be clearly defined.**

39. The application of regulation 5.6 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation is discussed in paragraphs 18 and 19 of the Introduction. It is indicated that a total of 912 recurrent outputs for 2002-2003 have been discontinued for 2004-2005 for reasons described in the relevant sections of the proposed programme budget. The particular efforts of the Department of Management under section 29 of the proposed programme budget are also described. Also relevant are the internal reviews described in paragraph 9 of the Introduction.

40. The Advisory Committee enquired about the process used by the Secretariat in the implementation of regulation 5.6. The Committee was informed that the budget instructions issued for the biennium 2004-2005 specifically requested programme managers to review in detail the recurrent outputs that were budgeted for the biennium 2002-2003 and to identify those recurrent outputs that were not required to produce the expected accomplishments for 2004-2005. This instruction was reinforced by a memorandum from the Secretary-General to all heads of department and offices on 2 October 2002 emphasizing that programme managers should not hesitate to abandon outputs of marginal utility and to rationalize and streamline their work. The Controller also wrote to the same officials on 10 October 2002 further

emphasizing that it would also be necessary to refocus resources away from old outputs, which were of marginal utility.

41. **Despite those efforts, the Advisory Committee has noted the limited and inconsistent compliance with regulation 5.6, in particular the absence, in many sections of the budget, of any recommendations for the deletion of outputs or reference to an analysis explaining why outputs could not be deleted. Moreover, in a number of instances, outputs have been discontinued as the result of events rather than as a deliberate result of managerial action.**

42. The Advisory Committee was informed that, given the formulation of regulation 5.6, in which the Secretary-General is asked to make submissions to the General Assembly, it was not foreseen that implementation of the regulation in all cases would in and of itself require further intergovernmental review at the level of programme review bodies, such as the functional commissions of the Economic and Social Council. Nevertheless, in the context of budget preparation, a number of such organs received and reviewed advance copies of the programmes of work within the area of their substantive responsibilities. They were, therefore, apprised of any action taken under regulation 5.6 (see table 4).

43. **While encouraging programme managers to actively undertake the reviews envisaged in regulation 5.6, the Advisory Committee is of the opinion that, where outputs proposed for termination have been specifically authorized by legislative bodies rather than originating with the Secretariat, in order to confer legislative legitimacy on the exercise, the relevant intergovernmental machinery should be involved in such termination.** The Committee was informed that in some instances the review of the programme of work for 2004-2005 had resulted in the discontinuation of recurrent outputs in 2004-2005, as reflected in the annex to each budget section. For example, section 12, Trade and development, reflects a number of such cases pursuant to the decisions of the Working Party on the Medium-term Plan and the Programme Budget. Other examples of involvement by specialized bodies include the Statistical Commission and the Economic Commission for Europe.

44. **The Advisory Committee has repeatedly called for greater involvement of the programme formulating bodies in the planning and programming process. Using the information generated by the results-based-budgeting system, it is essential for programme managers to consistently review their activities and, should they deem it appropriate, to make proposals to the specialized bodies for adjustments to the programme of work. In the opinion of the Committee, the General Assembly needs to be able to rely on the contribution of the specialized bodies to review and refine or reformulate the programme of work. It is these specialized bodies that are most qualified to determine whether the activities they had initially authorized for inclusion in the proposed programme budget are producing the intended results. The work of the specialized bodies is therefore critical for the implementation of results-based budgeting. In the meantime, the Committee has, where appropriate and relevant, submitted its observations on various programmes under the relevant sections in chapter II below.**

45. The Advisory Committee's discussions with respect to the retirement of staff and the reclassification of posts (paras. 63-79 below) is also relevant to the reallocation of resources.

Table 4

Budget sections for which the programme of work for 2004-2005 has been reviewed by programme review bodies

Section/Programme/subprogramme	*Review body*	*Time of review*
6. Peaceful uses of outer space	Committee on the Peaceful Uses of Outer Space	June 2003
9. Economic and social affairs		
Gender issues and advancement of women	Commission on the Status of Women	March 2003
Social policy and development	Commission for Social Development	February 2003
Sustainable development	Commission on Sustainable Development	April-May 2003
Statistics	Statistical Commission	March 2003
Population	Commission on Population and Development	April 2003
Public administration, finance and development	Committee of Experts on Public Administration	April 2003
12. Trade and development	Working Party on the Medium-term Plan and the Programme Budget	January 2003, May 2003
14. Environment	Governing Council of the United Nations Environment Programme	February 2003
15. Human settlements	Commission on Human Settlements	May 2003
16. Crime control	Commission on Crime Prevention and Criminal Justice	May 2003
17. International drug control	Commission on Narcotic Drugs	March 2003
18. Economic and social development in Africa	Conference of African Ministers	June 2003
19. Economic and social development in Asia and the Pacific	Economic and Social Commission for Asia and the Pacific	April 2003
20. Economic development in Europe	Group of Experts on the Programme of Work	October-November 2002
21. Economic and social development in Latin America and the Caribbean	Economic Commission for Latin America and the Caribbean	May 2002
22. Economic and social development in Western Asia	Economic and Social Commission for Western Asia	April 2003
28. Public information	Committee on Information	April-May 2003

D. Restoration of budget cuts

46. The General Assembly, in paragraph 70 of its resolution 56/253 of 24 December 2001, by which it approved the programme budget for the biennium 2002-2003, reduced non-post resources by an amount of $52.4 million (see Introduction, para. 57). The proposed programme budget for 2004-2005, pursuant to paragraph 11 of Assembly resolution 57/280, includes an amount of $29.8 million (before recosting), reflecting a limited restoration of resources pertaining to information technology ($16.4 million) and the common services facility infrastructure ($13.4 million) across a wide range of budget sections. The proposed restoration of information technology resources is described in paragraph 109 below. A breakdown of the resources for common services facility infrastructure proposed for restoration is shown in table 5.

Table 5

Resources for common services facility infrastructure proposed for restoration in the biennium 2004-2005 (before recosting)

(Thousands of United States dollars)

Section		*2004-2005 estimates*
2.	General Assembly affairs and conference services	859.7
5.	Peacekeeping operations	668.7
7.	International Court of Justice	209.0
12.	Trade and development	238.3
18.	Economic and social development in Africa	661.7
19.	Economic and social development in Asia and the Pacific	249.7
21.	Economic and social development in Latin America and the Caribbean	876.0
22.	Economic and social development in Western Asia	102.7
28.	Public information	1 656.6
29.	Management and central support services	7 701.7
32.	Special expenses	205.2
	Total	**13 429.3**

47. **In considering these proposals, the Advisory Committee adopted the general approach that it was incumbent upon the Secretary-General in each case to demonstrate the necessity of the restoration by, inter alia, presenting convincing evidence that a continuation of the current situation would result in negative consequences that could be avoided only through the restoration of resources. The observations and recommendations of the Committee on the proposals for the restoration of resources pertaining to information technology are contained in paragraphs 110-113 below, as well as in chapter II, part VIII, below. The observations and recommendations of the Committee on the common facility infrastructure are contained in the relevant sections of chapter II.**

E. Flexibility

48. The Advisory Committee recalls its comments contained in its report on results-based budgeting (A/55/543, para. 16), in which it noted that the Secretary-General already has the authority to transfer funds within sections of the budget and stated the general principle that additional flexibility should be accompanied by additional accountability.

49. Most recently, the General Assembly, in paragraph 35 of its resolution 57/300, took note of the request of the Secretary-General for a degree of flexibility to reallocate resources between programmes and between allocations for personnel and other allocations within a single budget period and in exceptional circumstances, noted the relevant Assembly resolutions, and in that regard requested the Secretary-General to develop criteria for the use of any such authorization, proposed modalities for reporting the duration and programmatic impacts of reallocations, including specification of the exceptional circumstances in which it would be used, and to report thereon to the Assembly, through the Advisory Committee, for its consideration at its fifty-eighth session. **The Advisory Committee will revert to the matter upon receipt of the requested report.**

F. Personnel matters

50. The staffing resources available for carrying out the work programme of the Organization include established posts, temporary posts, temporary assistance, contractual services, consultants and ad hoc expert groups; these resources are financed from the regular budget and from extrabudgetary funds.

51. For the biennium 2004-2005, the cost of posts is estimated at $1,629,789,300 (at 2004-2005 rates) and other staff costs at $159,644,800, for a total of $1,789,434,100 (excluding staff assessment) under the expenditure sections. If the estimate under income section 3, Services to the public, of $26,521,500 for posts and other staff costs is added, the total amounts to $1,815,955,600.

52. Schedule 4.1 of the financial statements of the United Nations for the biennium ended 31 December 2001[4] indicates that out of total expenditure of $2,561.0 million, some $2,012.2 million, or approximately 78.6 per cent, related to salaries and common staff costs.

53. Extrabudgetary posts and other staff costs are estimated at $1,617,121,700, including staff financed from the support account for peacekeeping operations. It can thus be said that personnel costs to be financed from the regular budget and extrabudgetary resources would amount to an estimated $3,433,077,300 in 2004-2005.

Regular budget established and temporary posts

54. Under the expenditure sections and income section 3 of the proposed programme budget for the biennium 2004-2005, the Secretary-General requests a total of 9,288 posts. In table 6, which includes income section 3, Services to the

---

[4] *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 5* and corrigendum (A/57/5 and Corr.1), vol. I, chap. V.

public, the request for 2004-2005 is compared with the authorized staffing table for 2002-2003 (see also table 5 of the Introduction).

Table 6

Number of posts requested for 2004-2005 compared with authorized staffing for 2002-2003

	Professional category and above			*General Service and related categories*			*Total*		
	2002-2003	*2004-2005*	*Increase (decrease)*	*2002-2003*	*2004-2005*	*Increase (decrease)*	*2002-2003*	*2004-2005*	*Increase (decrease)*
Established posts	3 797	3 911	114	5 300	5 286	(14)	9 097	9 197	100
Temporary posts	48	45	(3)	41	46	5	89	91	2
Total	**3 845**	**3 956**	**111**	**5 341**	**5 332**	**(9)**	**9 186**	**9 288**	**102**[a]

[a] Includes a reduction of 15 posts under income section 3.

55. The net increase of 117 regular budget established and temporary posts under the expenditure sections is the result of proposals for 114 new posts, 39 conversions and 36 abolitions (see Introduction, para. 62).

56. A detailed discussion and comprehensive analysis of the proposed staffing appears in paragraphs 62 to 70 of the Introduction. Information can be found therein for each of the categories listed above. In considering the human resources aspect of the proposed programme budget, the Advisory Committee, in line with what it has previously indicated to the General Assembly (see A/57/469, paras. 6 and 15), took into account a number of reports of the Secretary-General, including the report on consultants and individual contractors (A/57/310) and on monitoring capacity in the Office of Human Resources Management (A/57/276).

57. A summary of the proposals of the Secretary-General for regular budget posts by part of the programme budget is contained in annex I below. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III respectively. The Advisory Committee requested information on the total number of regular budget and extrabudgetary posts since 1998, as well as on the total number of approved and projected posts in all peacekeeping operations from 2000 to 2004. The information received is contained in annex IV.

Vacancies

58. Vacancy rates are discussed in paragraph 85 of the Introduction. As indicated, a uniform rate of 5 per cent for Professionals and 1.5 per cent for the General Service and related categories is proposed for continuing posts. The vacancy rates by budget section, as at 31 May 2003, are provided in annex V below.

59. The General Assembly, in section V of its resolution 55/258 of 14 June 2001, called for increased mobility between duty stations, which could help to address the difficulties experienced in those areas where the vacancy rate is unduly high.

60. **As at 31 May 2003, the vacancy rate was 6.3 per cent for Professionals and 3.5 per cent for General Service staff (see annex V). This compares with the**

rates of 5.7 per cent for Professionals and 1.5 per cent for the General Service approved in the context of the first performance report for 2002-2003 (A/57/616; see Introduction, para. 85). Under the circumstances, the Advisory Committee believes it unlikely that the rates proposed will be achieved, especially in the first year of the next biennium. Accordingly, the Committee recommends a revision of the rates to 5.5 per cent for Professionals and 2.3 per cent for General Service staff; this would entail a reduction of $12.5 million in the estimates for 2004-2005.

Staff ratio

61. Table 6 above shows that approximately 57 per cent of regular budget established and temporary posts are in the General Service and related categories. Annex II below indicates that the General Service and related categories accounts for 61 per cent of extrabudgetary posts. The Advisory Committee notes the information provided in paragraphs 64 and 65 of the Introduction on the improvement of the ratio. Nevertheless, the Committee considers the ratio to be high, particularly in view of the considerable investment made on communication and information technology, which should lead to observable benefits, efficiencies and economies in the support functions of the Organization. The Committee recalls paragraph 72 of General Assembly resolution 56/253, in which the Assembly noted with concern the high proportion of General Service posts compared with Professional posts in the regional commissions, and requested the Secretary-General to report to it at its fifty-seventh session on efforts undertaken, as appropriate. The Committee notes the statement of the Secretary-General that the results of the review will be provided separately (see also para. 66 of the Introduction).

62. The Advisory Committee is fully aware that personnel in support services provide more than clerical support, including technical support in communication and information services. Nevertheless, the Committee is of the opinion that this category of staff should be managed with a view to reducing their number, utilizing attrition and taking into account investment in communication and information technology. The Committee's recommendations in chapter II on requests for additional posts reflect this opinion.

Retirement of staff under the regular budget

63. The Advisory Committee received information on the projected retirement of staff financed under the regular budgets for 2002-2003 and 2004-2005 (see table 7).

Table 7
Number of staff financed under the regular budget expected to retire

	2002-2003		*2004-2005*	
Category	*Number*	*Percentage*	*Number*	*Percentage*
Professional and above	210	6	247	6
General Service and related	232	4	268	5
Total	**442**	**5**	**515**	**6**

64. The figures in table 7 are based on the age of staff currently in place in regular budget posts. In addition, staff leave the Organization for a variety of reasons other than retirement, and the Advisory Committee was informed that it was possible to project trends in that regard. Thus, the number of projected vacancies should comprise expected retirements as well as departures for other reasons. However, the Committee points out that the turnover of staff against existing posts does not in and of itself show whether or not the functions concerned should be undertaken in the forthcoming biennium. It must also be borne in mind that the propensity of the Organization to fill higher-level positions through internal promotion would mean that the effective level of vacancies becoming available for outside recruitment would be concentrated in the middle to junior grades. Therefore, it cannot automatically be assumed that the need for additional posts can be accommodated entirely through attrition.

65. Nevertheless, the Advisory Committee also points out that as part of normal personnel practice, the continuing need for a post should be evaluated prior to filling that post again. Staff turnover does provide an element of flexibility, especially if the staffing table is managed as a whole. In this regard, the Committee stresses the need to view the allocation of posts as dynamic rather than static; posts need to be reviewed periodically to ensure that their functions are consistent with current objectives. To the extent that posts are vacant, their redeployment is facilitated, perhaps to accommodate the incumbent of a post for which a continuing function is no longer justified. Moreover, flexibility afforded by staff turnover would also be useful in the management of reclassifications (see para. 75 below).

66. Since scheduled retirements are known well in advance, it should be possible to begin the process of analysing the continuing need for and placement and level of the post to be vacated and to initiate recruitment procedures, if called for, well in advance of the date on which the post is projected to be vacant. This should in turn have an impact on the recruitment targets set by the Office of Human Resources Management (see chap. II, sects. 2 and 29C).

Reclassifications

67. A total of 44 posts are proposed for reclassification, as follows:

1 D-2 to Assistant Secretary-General

2 D-1 to D-2

4 P-5 to D-1

10 P-4 to P-5

4 P-3 to P-4

1 P-2 to P-3

1 Field Service to P-4

1 Local level to P-3

6 General Service to P-2

14 General Service (Other level) to Professional level

68. The Advisory Committee recalls its comments contained in paragraphs 46 to 49 of its first report on the proposed programme budget for the biennium 2002-2003,[2] in particular its statement that effective recruitment and placement planning, vacancy management and mobility and retirement management were the proper human resources instruments to handle career planning rather than the ineffective, sporadic and intermittent reclassification of posts.

69. The General Assembly, in paragraph 61 of its resolution 56/253, decided not to approve the upward reclassifications of the posts requested by the Secretary-General in the proposed budget for the biennium 2002-2003.

70. The Advisory Committee recalls that a similar situation had existed during the forty-eighth session of the General Assembly, in 1993. In its first report on the proposed programme budget for the biennium 1994-1995, the Committee recommended against the approval of any of the 39 upward and 3 downward reclassifications proposed at that time, and instead recommended a resubmission on the basis of adequate justifications (see A/48/7, para. 63).

71. The Secretary-General resubmitted his recommendations (A/C.5/48/75). In paragraph 8 of its related report (A/48/7/Add.11), the Advisory Committee drew attention to the still outstanding request by the General Assembly in section I.E of its resolution 48/218 A of 23 December 1993 for a report on the creation, suppression, reclassification, conversion and redeployment of posts, and recommended that the report to be submitted by the Secretary-General include his views on how the current procedures could be changed in order to achieve the following objectives:

(a) Granting to the Secretary-General the authority to reclassify posts up to the P-5 level, while ensuring that the relationship between the overall numbers for each grade level is maintained;

(b) Ensuring that the existing appropriations were not exceeded;

(c) Ensuring that adequate control by the Secretariat and monitoring by the General Assembly were in place, including procedures for providing information to the Advisory Committee and the Assembly on action taken by the Secretary-General under his authority.

The recommendation of the Advisory Committee was endorsed by the General Assembly in its resolution 48/228 C of 29 July 1994.

72. The requested report of the Secretary-General was submitted in document A/49/339 and Corr.1. The related observations and recommendations of the Advisory Committee are contained in paragraphs 98 to 104 of its first report on the proposed programme budget for the biennium 1996-1997.[5] The Committee called for the approval of procedures proposed essentially to implement the flexibility previously postulated by the Committee. This was approved by the General Assembly in section II, paragraph 1, of its resolution 50/214 of 23 December 1995. However, the Secretary-General has not so far exercised the flexibility granted to him. For its part the Committee, in general, has followed a practice of not contesting proposals for reclassification up to the P-5 level.

---

[5] Ibid., *Fiftieth Session, Supplement No. 7* and corrigendum (A/50/7 and Corr.1).

73. **Bearing in mind the report of the Secretary-General on the comprehensive review of the post structure of the United Nations Secretariat (A/57/483; see also paras. 67-68 of the Introduction), the Advisory Committee is of the opinion that, in order to provide for the orderly management of the staffing table, including the reclassification of posts, the existing flexibility should be implemented in a simplified manner. The objective would be to maintain the existing relationship between grades and to minimize, if not end altogether, "grade creep".**

74. **The Advisory Committee recommends that the existing authority for the Secretary-General to reclassify posts be refined so as to provide the ability to reclassify posts from G-1 to G-6 and from P-1 to P-5, provided that the overall number of posts in each grade do not change. This would generally mean that each upward reclassification would have to be offset by the downward reclassification of another post or that posts would be exchanged (e.g., a P-5 in one office would be exchanged for a P-4 in another).**

75. **In order to implement this system, the Secretariat staffing table would be managed as a whole, taking into account vacancies and projected attrition. Such a policy would be consistent with and would further efforts to reallocate resources to meet changing priorities (see paras. 33-45 above). Departments and offices would not "own" particular posts at particular grade levels. Moreover, this system would necessitate keeping the grade levels of posts under constant review and would foster a situation that recognized the fact that the same set of functions ascribed to a group of posts could be carried out by incumbents with varying levels of skill and experience. The inflexibility of the current system locks staff in and hinders their mobility and advancement. A more flexible system would also facilitate the efforts of the Secretary-General, in the context of his reform programme, to enhance mobility in the Secretariat, which, to be implemented, would also require managing the staffing table as a whole.**

76. **The Advisory Committee points out that management of the staffing table as a whole, for purposes of both staff mobility and the grading of posts, would involve exchanges of posts among the various sections of the budget. This would not involve the transfer of savings under one section in order to fund overexpenditure under another. Information on adjustments to the staffing table would be reported in the performance report.**

77. **In view of the foregoing comments, the Advisory Committee, in chapter II below, has not commented on the Secretary-General's proposals for reclassification as they relate to grades G-1 to G-6 and P-1 to P-5, on the understanding that action taken to offset any consequent change in the proportionate relationship among the various grades in the budget for the biennium 2004-2005 will be reported in the performance report.**

78. **Future proposed programme budgets would contain proposals for reclassification only to G-7, to P-2/1 from the General Service category, and to D-1 and above, which should be justified in accordance with General Assembly resolution 56/253, paragraphs 64 and 65 (which reflect paras. 46-49 of the first report of the Advisory Committee on the proposed programme budget for 2002-2003).[2] The number of posts at each of the other grade levels would change only through the approval of proposals for the establishment of new**

posts or the abolition of existing posts. In this connection, the Committee trusts that, for the foreseeable future, proposals for new posts will take into account the need, referred to in paragraph 68 of the Introduction, to revitalize and rejuvenate the Secretariat at the junior Professional level. Otherwise, the various measures taken to manage the staffing table throughout the year on a no-loss, no-gain basis for the G-1 to G-6 and the P-1 to P-5 levels would be reported in the performance report.

79. **The observations and recommendations of the Advisory Committee on proposed reclassifications to G-7, to P-2/1 and to D-1 and above are contained, where relevant, in chapter II below.**

G. Position of the Advisory Committee on requests for additional posts

80. **While the Advisory Committee's specific recommendations on individual requests for posts are contained in chapter II below, a number of general points can be made. In the first place, since requests for new posts are requests for additional resources, they need to be specifically linked to the fulfilment of planned objectives and fully justified in terms of workload and expected accomplishments. The Committee found the supporting material to be uneven in this regard, and this had an impact on its recommendations. For example, in many instances requests for additional posts, whether at the General Service level or the Professional level and above, contain only generic explanations such as "to strengthen", "to develop", "to enhance", or "to improve" without proper elaboration of additional functions and justification on the basis of specific workload data. Moreover, in a number of cases, proposals were in fact resubmissions of requests that had previously not been accepted by the General Assembly; in these situations, the Committee was of the opinion that it was incumbent upon the Secretary-General to explain what new or previously unrevealed element justified the resubmission.**

81. **There is an increasing tendency to request additional posts or to propose the creation of new units as a follow-up to special conferences or as a response to new reform initiatives. Where part of the justification, written or otherwise, for a new post is based on a call by a legislative body to strengthen a particular unit or activity, then it must be demonstrated that the request for additional resources was made only after full account had been taken of whether additional capacity could be found through new technologies, more efficient work processes or redeployment as the result of reprioritization or reorganization.**

82. **In a related matter, the Advisory Committee acknowledges that the restructuring of organizational units is an integral part of the management review process. However, it notes that proposals for restructuring are often formulated in a way that leads to the multiplication of organizational units, requests for additional post and non-post resources and the upgrading of posts. The Committee believes that the basic criteria for restructuring should be greater efficiency and higher productivity, taking into account functional requirements and workload indicators. Rather than thinking in terms of expansion, managers contemplating restructuring should also explore the feasibility of streamlining organizational units so as to optimize efficiency**

gains, thereby releasing both staff and non-staff resources for appropriate redeployment.

83. **The Advisory Committee has borne the foregoing in mind in making its recommendations on reorganization and requests for additional posts. Also relevant in this regard are the statements of the Committee on redeployment and staff ratios (see paras. 33-37 and 61-62 above).**

H. Other staff costs, consultants and experts

84. The total estimate for other staff costs is $159.6 million at 2004-2005 rates (table 4 of the Introduction), comprising (in thousands of United States dollars):

Temporary assistance for meetings	37 102.0
General temporary assistance	24 834.4
Overtime and night differential	17 640.8
Personal service contracts	1 149.9
Other personnel-related costs	13 599.8
After-service medical coverage	65 317.9
Total	159 644.8

Temporary assistance

85. The Advisory Committee requested a breakdown of general temporary assistance resources proposed by budget section and was provided with the table in annex VI below, which shows that some $24.8 million (at 2004-2005 rates) is requested. As a rule, the greatest use of general temporary assistance is for additional staff during periods of peak workload; general temporary assistance is also used for the replacement of staff on prolonged sick leave or maternity leave. **The Committee recalls its previous statement about restricting the use of general temporary assistance to the purposes for which it was intended (para. 52 of its first report on the proposed programme budget for the biennium 2000-2001)[6] and reiterates its insistence that general temporary assistance should not be used to meet staff requirements of a continuing nature.**

86. The estimates for general temporary assistance appear to have been reduced by some $79.3 million (before recosting) from the 2002-2003 appropriation of $103.3 million (see annex VI below). However, the net decrease is attributable largely to a reduction of $77.4 million (before recosting) for non-recurrent costs under section 3, Political affairs (see annex VII below).

87. **With regard to temporary assistance funds for periods of peak workload and for replacement of staff on maternity or sick leave, the Advisory Committee, although not recommending a specific reduction in the estimates, is of the opinion that economies could be achieved through more efficient management of time and the reassignment of duties among existing staff to obviate the need for recourse to temporary recruitment.**

88. In paragraph 23 of its report on the proposed programme budget for 2002-2003,[2] the Advisory Committee questioned the utility of continuing to treat the provision for special political missions, as well as estimates for special conferences, as non-recurrent. The Committee had requested that the results of an analysis be

---

[6] Ibid., *Fifty-fourth Session, Supplement No. 7* (A/54/7).

reflected in the Secretary-General's proposals on the budget outline for 2004-2005; this has not been done. **The Committee reiterates its request at this time.**

89. The Advisory Committee requested information on the total number of staff employed under general temporary assistance as at 30 May 2003, by grade level; this is provided in annex VIII below. **The employment of short-term staff through the use of general temporary assistance resources is, in the opinion of the Committee, fully at the discretion of programme managers. With flexible use of existing staff capacity, it should be possible to achieve economies in this area.**

90. The overall estimate for temporary assistance for meetings for 2004-2005 is $37.1 million. The estimate included in the proposed programme budget for the biennium 2002-2003 was $40.2 million (however, the revised appropriation for 2002-2003 was $47,322,300). These funds are requested for short-term interpreters, translators, typists and other conference-servicing staff. The observations of the Advisory Committee on temporary assistance for meetings are contained in chapter II, section 2 below.

Consultants and experts

91. The total request for consultants and experts is $21.3 million for 2004-2005, as compared with $25.2 million for 2002-2003 (see Introduction, table 4). The Advisory Committee was informed that, of the total of $21.3 million, $12.2 million related to consultants. **The Committee notes, however, that the resources for consultants are often mixed with those of expert groups in the submission and that the subjects are not always specific.**

92. **Further analysis of this estimate shows that once the non-recurrent element of $8.8 million is removed from the appropriation of $25.2 million for 2002-2003, there is an element of real growth of approximately $4.2 million. In addition, the supplementary information provided to the Advisory Committee indicates nearly $89 million in extrabudgetary resources for consultants and experts.**

93. The Advisory Committee has pointed to the tendency to request consultancy funds to supplement existing staff resources without adequate justification (see, for example, para. IV.13 of its first report on the budget for 2002-2003).[2] **The Committee notes the frequent use of the same narratives from one biennium to another, requesting consultant funds for studies to be approved subsequently by legislative bodies or for studies on emerging issues. The argument has invariably been that expertise is not available in the Secretariat for studies about which the Secretariat has not determined the nature and content.**

94. **Moreover, the experience of the Advisory Committee has been that programme managers do not necessarily use resources approved for consultants and experts for the specific item indicated in the budget proposal. The Committee is of the opinion that the entire amount of funds requested for consultants, not simply the increase, should be justified. The Committee has taken this view into account when making recommendations on consultants in chapter II below.**

Training

95. Training resources are estimated at $22.1 million (before recosting), an increase of $2 million (see Introduction, paras. 53-55). These proposed resources are broken down by section in table 8.

Table 8

Staff training resources provided in the proposed programme budget for the biennium 2004-2005 (before recosting)

(Thousands of United States dollars)

Budget section	*Amount*
Centrally managed training	
29C. Office of Human Resources Management	15 116.5
Subtotal	**15 116.5**
Language training	
18. Economic and social development in Africa	454.7
19. Economic and social development in Asia and the Pacific	54.5
21. Economic and social development in Latin America and the Caribbean	130.6
22. Economic and social development in Western Asia	107.4
29C. Office of Human Resources Management	2 661.0
29E. Administration, Geneva	2 302.5
29F. Administration, Vienna	343.6
29G. Administration, Nairobi	95.1
Subtotal	**6 149.4**
Other training	
18. Economic and social development in Africa (specialized)	36.9
19. Economic and social development in Asia and the Pacific (security and safety)	61.4
21. Economic and social development in Latin America and the Caribbean (security and safety)	30.1
22. Economic and social development in Western Asia (security and safety training and retraining)	94.8
28. Public information (related to United Nations information centres)	94.0
29D. Office of Central Support Services (security and safety)	99.5
29E. Administration, Geneva (training and retraining)	98.5
29F. Administration, Vienna (United Nations share of safety and security training)	2.3
29G. Administration, Nairobi (security and safety)	96.0
31. Jointly financed administrative activities	
United Nations share of International Civil Service Commission training	4.7
United Nations share of Office of the United Nations Security Coordinator training[a]	227.2
Subtotal	**845.4**
Total	**22 111.3**

[a] The full budget for jointly financed training activities in respect of inter-organizational security measures amounts to $1,325,800.

96. As is the case for the peacekeeping budgets, the Advisory Committee points out that the estimates for training, as presented, do not include the cost of training-related travel or provisions for training supplies and equipment. The Committee recognizes the importance of training and has commented extensively on this subject

in the past; its most recent comments are contained in its report on the financing of peacekeeping operations (A/57/772, paras. 127-133). These comments are also relevant to the proposed programme budget for 2004-2005. The Committee will provide additional comments when it examines the report of the Board of Auditors on this subject (see ibid., para. 133).

I. Travel

97. Resources for travel of staff, which are estimated at $28.7 million for 2004-2005, show a decrease in resources of $5.4 million (before recosting) as compared with 2002-2003 (see Introduction, table 4). The Advisory Committee sought information on the nature of this decrease and was informed that it was due largely to the non-recurrent nature of the travel requirements for special political missions in 2002-2003. The provision for special political missions in 2004-2005 is proposed as an undistributed amount. After deducting non-recurrent provisions, the overall real growth under travel of staff is $2.3 million.

98. **The Advisory Committee would have expected to see greater efforts to control travel expenditure, which in a number of sections has significantly increased. In section 29, Management and central support services, for example, travel of staff increases from $1,394,200 in 2002-2003 to $2,027,800 in 2004-2005. For the budget as a whole, travel financed from extrabudgetary resources, which is projected at $110.3 million for 2004-2005, dwarfs the provision under the regular budget and shows an increase compared with the $107.7 million estimated for 2002-2003. The Committee has observed that travel funding, in many instances, is interchangeable between regular budget and extrabudgetary resources, particularly where travel is related to activities funded from both sources. The Organization also spends a significant amount on travel related to peacekeeping operations.**

99. **Thus, expenditure on travel represents a significant and increasing portion of the Organization's expenditure. The Advisory Committee reiterates its view that developments in communication technology, including videoconferencing and enhanced capability to access online databases, should have an increasing impact on the ability to communicate, to consult and to gather data, thereby reducing travel expenditure. The Committee has taken this view into account in its comments and recommendations on travel in a number of sections in chapter II below.**

J. Publications

100. Publications are dealt with in paragraphs 40 to 45 of the Introduction. The Advisory Committee recalls the extensive comments it has made on this subject over the years, most recently in paragraphs 69 to 78 of its first report on the proposed programme budget for 2002-2003.[2]

101. The Publications Board has been restructured so that it sets standards rather than managing the publications programme (see Introduction, para. 42). The executive committees established by the Secretary-General will henceforth plan and coordinate all publications within their respective thematic areas "in order to reduce the number of and improve coherence, focus and scheduling among the Organization's many publications". The proposed programme budget for 2004-2005

includes a summary of publications to be issued under each programme (see ibid., para. 43). This is consistent with the request of the Advisory Committee contained in paragraph 77 of its previous report.[2] The Committee notes from the Introduction that the 2,916 recurrent and non-recurrent publications projected for 2002-2003 is expected to be reduced to 2,339 for 2004-2005 (ibid.).

102. The Advisory Committee points out, however, that this projection still represents an increase as compared with the actual total of 2,183 recurrent and non-recurrent publications issued in the biennium 2000-2001. Moreover, when one looks at recurrent publications alone, the estimate for 2004-2005 represents an increase of 44 per cent as compared with the actual number in 2001-2002. **The Committee is not questioning the increases per se. It is of the opinion, however, that such increases should result from the process set out below and in previous recommendations of the Committee.**

103. **On the basis of its consideration of the proposed programme budget for the biennium 2004-2005, the Advisory Committee finds little evidence that much has been done to subject the publications programme to the rigorous examination it has repeatedly called for. In this connection, the Committee recalls its statement in paragraph 72 of its first report on the proposed programme budget for 2002-2003[2] that "with the introduction of results-based budgeting, it is essential for managers to demonstrate that each publication, recurrent or non-recurrent, is linked to the attainment of expected accomplishments; otherwise, consideration should be given to appropriately modifying or dispensing with the publication". Moreover, it is equally important for the publications programme to be reviewed by the appropriate intergovernmental machinery. The Committee requests that, in future, in addition to the consolidated list, it be provided with a list of publications planned for each of the subprogrammes in each section of the budget in comparison with those issued in the previous biennium.**

104. **In the language of results-based budgeting, publications represent outputs; in the paragraphs above dealing with results-based budgeting, the Advisory Committee has stated the importance of establishing a link between expected accomplishments and the cost of related outputs. This requirement, as a necessary element of the logical framework, is an essential step towards the full realization of the results-based budgeting concept, and was foreseen by the Committee in paragraphs 73 to 76 of its first report on the proposed programme budget for 2002-2003,[2] where it called for a pilot project to determine the feasibility of a cost-accounting exercise for publications. The Committee is not aware that this exercise has been carried out, and reiterates its call for such an exercise at this time. Moreover, the Committee also continues to stress the importance of cooperative efforts and coordination, both within the United Nations and with specialized agencies and partners outside the United Nations system (see ibid., para. 78).**

105. **The Advisory Committee also recommends that thought be given to devising other means of providing the information now being communicated through printed publications, such as increasing use of the Internet and the United Nations-wide Intranet. Furthermore, if one of the objectives of any publication is the transfer of knowledge, especially to recipient users in developing countries and in countries with economies in transition, the Committee would recommend the use of alternative, more direct, means of such transfer. This could include systematic training and the holding of seminars**

and workshops involving young professionals from recipient countries. Ultimately this approach could be more beneficial and effective in transferring knowledge than reliance on publications.

K. Liaison offices

106. The matter of liaison offices was last reviewed by the Advisory Committee in paragraphs 106 and 107 of its first report on the proposed programme budget for the biennium 2000-2001[6]. Since its first report on the proposed programme budget for 1998-1999[7] (paras. 115-116), the Committee has been calling for a review of the need for multiple liaison offices. **In view of the considerable staff and non-staff resources devoted to the maintenance of these offices (see, for example, the table following para. 106 of the first report on the proposed programme budget for 2000-2001[6]), the Committee is of the opinion that this activity is ripe for reshaping with a view to achieving greater efficiency and economy and taking into account the impact of the latest developments in information technology. The Committee therefore recommends that an analysis and consultation be carried out aimed at the creation of a consolidated common liaison service for all United Nations funds and programmes now represented at United Nations Headquarters. Efforts in this regard should take into account and expand upon the experience of the Regional Commissions New York Office, which is a common service for all the regional commissions.**

L. Pouch services

107. **In pursuance of section III, paragraph 25, of General Assembly resolution 57/283 B of 15 April 2003, and in view of the continued significant investment in communication and information technologies and the potential for more electronic transmission of digitized information, the Advisory Committee, in relevant sections of chapter II below, has recommended that the use of pouch services be thoroughly reviewed for the purpose of reducing the volume of pouches and realizing savings under this item.**

M. Information technology

108. The total estimated resources required for information and communication technology (ICT) for the biennium 2004-2005 amount to $192.4 million (before recosting), reflecting an increase of $30.4 million, or 18.8 per cent, as compared with the revised appropriation for the biennium 2002-2003 of $161.9 million (see Introduction, para. 32, table). In addition, the budgets for peacekeeping operations show estimated requirements of $101 million for this item for the period ending 30 June 2004 (see A/57/772, para. 100).

109. As shown in table 9, the proposed increase of $30.4 million comprises: (a) the restoration of $16.4 million of the resources reduced from the initial proposals for 2002-2003 to provide the level of support required for the central infrastructure and local networks; and (b) $14 million related to the ICT strategy to improve and enhance the central technological and communication infrastructure.

---

[7] Ibid., *Fifty-second Session, Supplement No. 7* (A/52/7/Rev.1).

Table 9

Composition of growth in information technology resources for the biennium 2004-2005

(Thousands of United States dollars)

Section		*Restoration of 2002-2003 reductions*	*Resources relating to ICT strategy*	*Proposed growth*
1.	Overall policy-making, direction and coordination	75.3	31.4	106.7
2.	General assembly affairs and conference services	1 746.8	3 037.7	4 784.5
3.	Political affairs	221.0	(4 308.6)	(4 087.6)
4.	Disarmament	17.8	238.8	256.6
5.	Peacekeeping operations	144.6	567.0	711.6
6.	Peaceful uses of outer space	22.2	(0.0)	22.2
7.	International Court of Justice	62.1	157.2	219.3
8.	Legal affairs	374.5	-	374.5
9.	Economic and social affairs	480.6	113.8	594.4
10.	Least developed countries, landlocked developing countries and small island developing States	-	33.2	33.2
11.	United Nations support to the New Partnership for Africa's Development	-	41.6	41.6
12.	Trade and development	325.1	242.5	567.6
14.	Environment	9.0	-	9.0
15.	Human settlements	57.1	23.1	80.2
16.	Crime prevention and criminal justice	10.2	28.0	38.2
17.	International drug control	36.3	101.1	137.4
18.	Economic and social development in Africa	31.4	134.6	166.0
19.	Economic and social development in Asia and the Pacific	370.5	139.3	509.8
20.	Economic development in Europe	172.0	92.8	264.8
21.	Economic and social development in Latin America and the Caribbean	409.4	11.8	421.2
22.	Economic and social development in Western Asia	193.2	81.0	274.2
24.	Human rights	35.8	303.8	339.6
27.	Humanitarian assistance	-	-	-
28.	Public information	589.2	337.5	926.7
29.	Management and central support services	10 424.8	8 279.5	18 704.3
30.	Internal oversight	28.3	17.1	45.4
31.	Jointly financed administrative activities	-	(557.5)	(557.5)
33.	Construction, alteration, improvement and major maintenance	596.1	4 855.9	5 452.0
	Total	**16 433.3**	**14 002.6**	**30 435.9**

110. **With regard to the $16.4 million proposed for the restoration of information technology resources, the Advisory Committee, in general, notes the absence of clear information in the proposed programme budget on the effect of the reductions and what specific equipment or services it is necessary to restore. Similarly, specific information and justification is also lacking on what the $14 million enhancement is supposed to achieve and as to what specific equipment it is proposed to upgrade or acquire and why.**

111. **Although the Secretariat could have done more to document the need for the restoration of funds and the expansion of services, the Advisory Committee nevertheless maintains its opinion that adequate investment in information and communication technology is necessary to promote long-term efficiency and sound management. Such investment should eventually lead to better practices in the Secretariat and to savings. It is therefore incumbent on the Secretariat to prepare ICT plans and to explain more clearly proposals for the maintenance and expansion of such technology.**

112. **The Advisory Committee therefore requests that future budget submissions include a clear ICT plan for each section together with information on the expected results and benefits of investing in such projects. Such plans should be prepared in accordance with the ICT strategy for the Secretariat as a whole. This information should be placed in the overview section of the budget fascicle. A summary of proposed information technology projects for the coming biennium, along with a target time frame for their completion and resource implications, should be provided separately to the Committee before it starts examining each section.** The comments and recommendations of the Committee on specific proposals and estimates are contained in chapter II, part VIII, below and other relevant sections.

113. **On a related matter, the Advisory Committee, in chapter II, section 29D, is recommending that a replacement cycle of not less than four years be applied henceforth for personal computers (including laptops) instead of the three-year cycle now in force. Exceptions to this rule should be explained. The financial impact of such a policy change is an overall reduction of $2,370,200 (at 2004-2005 rates).**

Information and communication technology strategy

114. Pursuant to General Assembly resolution 54/249 of 23 December 1999, the Secretary-General submitted, in February 2001, an information technology strategy for the Secretariat as a whole in his report entitled "Information technology in the Secretariat: a plan of action" (A/55/780). In its resolution 56/239 of 24 December 2001, the Assembly requested the Secretary-General to resubmit the plan of action for consideration at its fifty-seventh session, taking into account the observations of the Advisory Committee contained in paragraphs 80 to 94 of its first report on the proposed programme budget for the biennium 2002-2003.[2] The report of the Secretary-General (A/57/620) contains the revised ICT strategy for the Secretariat worldwide, as well as projects and initiatives to be undertaken by the Organization until the end of 2005.

115. The Advisory Committee recalls that, in paragraphs 85, 86 and 89 of its previous report,[2] it indicated that the successful implementation of the proposals outlined in the earlier report of the Secretary-General (A/55/780) would require effective central leadership for policy, strategic guidance and standard setting, as well as the commitment of department heads to implement central decisions at the operational level. The Committee also pointed out, in connection with issues of ICT governance, that the experience of the previous technological boards and committees had not been very encouraging. Moreover, the Committee trusted that the Steering Committee on Reform and Management Policy and the Information and Communication Technology Board would develop into effective policy-setting instruments that could establish clear, unambiguous guidelines and monitor them. The Committee also indicated that investments in ICT projects should result in tangible increases in efficiency, productivity and overall savings that could lead to an eventual reduction for travel and for staff in support services; resources so released could then be available for redeployment.

116. The resources requested for information and communication technology reflect the priority given to this area in the report of the Secretary-General on strengthening of the United Nations: an agenda for further change (A/57/387 and Corr.1). The Advisory Committee notes that the report on the revised information and communication technology strategy (A/57/620) was welcomed by the General Assembly in its resolution 57/304 of 15 April 2003 as representing a significant step in developing a strategic framework to guide the further development of ICT in the United Nations, as called for in Assembly resolution 56/239. In paragraph 4 of its resolution 57/304, the Assembly requested the Secretary-General to provide further information and to make proposals, to be considered in the context of the proposed programme budget for the biennium 2004-2005, on the strengthening of governance and central leadership arrangements, including a mechanism to assess the results achieved and apply the lessons learned.

117. During its consideration of the report of the Secretary-General on information and communication strategy and the proposed programme budget for the biennium 2004-2005, the Advisory Committee was mindful of the provisions of General Assembly resolution 57/304, including the guidelines to be taken into account by the Committee during its consideration of the information and communication technology strategy. The Secretariat has provided the Committee with a response to the various requests contained in the resolution, which are reproduced in annex IX below.

118. The Advisory Committee notes that the ICT strategic framework focuses on three areas of core activities of the Organization, namely, effectiveness of administrative and management processes, sharing and dissemination of the Organization's institutional knowledge and serving the United Nations organs and governing bodies and the Member States (see A/57/620, paras. 15-17, and Introduction, paras. 24-32). **In the opinion of the Advisory Committee, the report on ICT strategy represents an advance compared with what has previously been submitted, but more remains to be done to move from a mere aggregation of what the United Nations is already doing to a clear and focused strategic plan. The Committee believes that the report of the Secretary-General highlights the importance of information and communication technology in the United Nations and that it should facilitate discussion of ICT reform. The**

comments of the Committee in the paragraphs below are intended to contribute to that discussion and to promote further improvement.

119. **The Advisory Committee points out that the link between the three main focus areas of the ICT strategy and the actual estimates for each of the sections of the proposed programme budget for 2004-2005 has not been made clear in the budget. While the timing of the formulation of the proposed programme budget and the consideration of the ICT strategy by the General Assembly may have hindered the ability of the Secretariat to reflect the strategy in the current estimates, in future, estimates for ICT in the budget should be explained and justified with clear references to the ICT strategy as approved by the General Assembly. In the opinion of the Committee, when the Organization is faced with limited resources, investment in information technology for administrative and management processes, in particular in programme implementation and management and in servicing of United Nations organs and governing bodies, should have priority over knowledge-sharing, especially as regards external users.**

120. **The Advisory Committee was provided with an update on the status of projects identified in the strategy. It does not appear to the Committee that the choice of projects has been based on a coordinated plan and strategy to improve information and communication technology in the United Nations, nor is their expected impact and/or benefit, the time frame for their completion or their total cost been made clear. In that connection, the Committee recalls that in paragraph 90 of its first report on the proposed programme budget for the biennium 2002-2003,[2] it indicated that a serious weakness in the report of the Secretary-General on the plan of action for information technology in the Secretariat (A/55/780) was the lack of financial information on what would be required in the short and long term to implement the strategy and the time frame for it.**

121. The Advisory Committee has commented in the past on the state of information and communication technology in the Department of Peacekeeping Operations (see, for example, A/57/772, paras. 100-106). The comments of the Committee on the potential for duplication of databases in its review of peacekeeping operations (ibid., para. 105) have in fact been reinforced by the admission that there are thousands of databases, software applications and information systems that now need to be reviewed and merged to promote easier accessibility by decision makers and programme managers. The Committee understands that this review is taking place throughout the Secretariat. The Committee was informed that some merging and streamlining was currently under way in the Department of Peacekeeping Operations, where some 3,600 databases were being merged into about 800. There is a need to identify what would be the efficiency gains and/or benefits from such a consolidation Secretariat-wide. **For example, the efficiency gains and/or benefits from the upgrading of the field assets control system to a new system (Galileo) have not been identified (see A/57/765, paras. 12-17). In the opinion of the Committee, these are the types of action that should be subjected to the cost-benefit analysis referred to in the report of the Secretary-General, which states that "in line with the broad objectives of the strategy, all ICT investments need to generate tangible returns" (A/57/620, para. 31). Potential efficiencies and economies should be identified, listed and set as targets.**

122. The Advisory Committee notes the statement on return on investment, indicating that it would be the top determining factor in assigning priorities to ICT projects and initiatives and that it would be quantified, whenever possible, by projecting the total economic impact of the application of ICT to a process or the opportunity costs associated with proposed initiatives (ibid.), and the statement on the adoption of standard methodologies, indicating that they had been completed by the Information Technology Services Division and were being introduced throughout the Secretariat, including the use of mandatory cost-benefit analyses as a prerequisite for the development of all new systems and for the initiation of ICT-related projects to ensure a consistent approach and returns on investment (ibid., para. 77). **The Committee trusts that the ICT projects to be implemented Secretariat-wide during the biennium 2004-2005 and beyond will be subject to these standards.**

123. **The issues of governance and management of ICT are discussed in paragraphs 81 to 86 of the report of the Secretary-General. The Advisory Committee questions the effectiveness of these arrangements and believes they should be streamlined. In the opinion of the Committee, a lack of effective governance and leadership is the cause of the apparently piecemeal systems and databases developed in the Secretariat as a whole, including those for peacekeeping activities. The number of task forces and the frequency of meetings should be minimized; moreover, the role of the Steering Committee on Reform and Management Policy in the governance of ICT needs to be clarified.**

124. Upon request, the Advisory Committee was informed of proposals to strengthen governance and central leadership arrangements in the Secretariat in response to paragraph 4 of General Assembly resolution 57/304 (see annex IX below).

125. **The Advisory Committee continues to be unhappy with the structure and scope of leadership in this critical area. The proposals of the Secretary-General on governance would not provide coherent integrated and consistent leadership in directing ICT for the United Nations. If the current trend continues, the Organization may well spend in excess of $1 billion (including peacekeeping) in the next five years. It is now necessary to ensure that such expenditure leads to greater benefits by streamlining processes, by increasing efficiency and productivity and by ensuring that Member States have accurate and timely information for decision-making. The Committee recalls its comments contained in paragraph 87 of its report on the proposed programme budget for 2002-2003;[2] in the light of the request in paragraph 4 of General Assembly resolution 57/304, the Committee believes the time has come to take a more definitive step.**

126. **The Advisory Committee therefore recommends a thorough review of the staff and non-staff resources devoted to the coordination, control and direction of information and communication technology throughout the United Nations with a view to the creation of a new senior position of Chief Information Officer of the United Nations. The position should be located in the office of the Deputy Secretary-General. The incumbent would report directly to the Deputy Secretary-General and should possess a high degree of technical experience and expertise along with proven managerial and leadership ability. It would be expected that effective control would be exercised to develop the Organization's**

ICT structure, strategic growth plans and all ICT operational policies and procedures so as to lead and coordinate the development of the next generation of major systems.

N. Extrabudgetary resources

127. Estimates of extrabudgetary resources, which are shown, for information purposes, in the proposed programme budget, account for a significant portion of United Nations expenditures. Table 10 shows that the bulk of extrabudgetary resources are from the Office of the United Nations High Commission for Refugees (UNHCR), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the United Nations International Drug Control Programme, the United Nations Environment Programme (UNEP) and the United Nations Human Settlements Programme (UN-Habitat).

Table 10

Estimated extrabudgetary resources for the biennium 2004-2005

(Thousands of United States dollars)

	Amount	*Percentage of total*
A. Programmes with separate governing bodies		
UNHCR	1 849 549.0	
UNRWA	796 009.3	
United Nations International Drug Control Programme	170 953.5	
UNEP	240 729.8	
UN-Habitat	211 079.0	
Subtotal	**3 268 320.6**	**77.4**
B. Technical cooperation funds	356 689.7	8.5
C. Reimbursement for support/services provided	340 187.9	8.1
D. Substantive trust funds	254 866.9	6.0
Total	**4 220 065.1**	**100.0**

128. The Advisory Committee reviews and submits reports on the related administrative budgets to the governing bodies of the various programmes mentioned in table 10 (see preface and para. 140 of the present report). For the most part, the Committee examines other extrabudgetary resources maintained in special accounts in the context of its review of the proposed programme budget. The Committee also receives information biannually on the status of trust funds. As indicated in paragraphs 136 and 137 below, under the terms of section II, paragraph 2, of General Assembly resolution 35/217 of 17 December 1980, the Committee considers proposals for all new posts at the D-1 level and above funded through extrabudgetary sources that are not otherwise subject to scrutiny by an intergovernmental body; **the Committee reiterates its position that all such extrabudgetary posts should be managed with the same degree of care as is exercised with regular budget posts.**

129. As shown in table 10, some $950 million in extrabudgetary resources relates to technical cooperation, reimbursement and trust funds. The Advisory Committee notes the information summarized in paragraphs 96 to 98 of the Introduction to the budget, including the statement that the level of extrabudgetary resources to be received during a biennium and the number of extrabudgetary posts to be funded cannot be determined with accuracy owing to the nature of voluntary contributions. The Committee has, during its consideration of the proposed programme budget, noted an inconsistency in the forecasting of levels of extrabudgetary funds in different programmes. The Committee continues to note inconsistencies throughout the budget in the provision of explanations of variations in extrabudgetary resources from one biennium to the next.

130. **The Advisory Committee reiterates the request it made in paragraph 57 of its first report on the proposed programme budget for 2002-2003[2] that steps should be taken to ensure the application of a uniform methodology for projection as well as to improve forecasting techniques so as to arrive at more reliable projections in the future. The Committee recalls its previous recommendation, contained in paragraph 58 of its first report on the proposed programme budget for 2000-2001,[6] that the Secretary-General, wherever feasible, provide broad explanations of variances in projected extrabudgetary resources. Care should also be taken to provide meaningful explanations of variations in extrabudgetary resources, both when comparing projections from one biennium to the next and when analysing the difference between projections and realized amounts.**

131. In examining the budgets of the United Nations and of the funds and programmes, the Advisory Committee has frequently encountered instances in which donors are increasingly demanding greater accountability with respect to resources contributed to fund United Nations activities. For example, many donors require regular reporting by programme managers, evaluation of activities and the audit of the use of the funds they contribute. Such requests can occasion considerable expenditure, especially when the oversight activities are carried out in addition to those required by United Nations procedures and practice.

132. The interest of the donor community in supplementing the funding of United Nations activities, especially those also funded from assessed budgets, should not in any way be discouraged. The Advisory Committee has in many instances commended the efforts of programme managers to raise extrabudgetary funds and

the donor community for contributing those funds (see, for example, para. V.17 of its first report on the proposed programme budget for 2002-2003[2]).

133. **However, the receipt and use of extrabudgetary funds should be managed in a way that is fair to donors and to the United Nations. In particular, care should be taken to ensure that priorities approved by Member States are the benchmark for the use of extrabudgetary contributions, that existing United Nations financial and personnel regulations and rules are adhered to, that where donors require additional accountability, documentation and standards are established for this requirement and that the additional support cost for managing the funds is reimbursed on the basis of a mutually agreed formula for determining a fair rate of reimbursement. The Committee also draws attention to the comments it has made on this issue previously (see, for example, paras. 98-106 and VI.6, of its first report on the proposed programme budget for the biennium 1998-1999[7]), as well as in the present report (see chapter II, part V, below).**

134. **To facilitate the consistent application of United Nations practice, the Advisory Committee recommends that the Secretariat compile standard operating procedures to guide programme managers. These should be based on the relevant resolutions and decisions of the General Assembly, the application of the relevant financial and personnel regulations, the previous recommendations made by the Committee and the practice developed in negotiating with donors, particularly as regards the reporting, evaluation and auditing of funds contributed by them.**

Extrabudgetary posts

135. Posts anticipated to be financed during 2004-2005 from extrabudgetary resources are summarized in table 2 of the Introduction to the proposed programme budget for 2004-2005. It is estimated that extrabudgetary resources will finance a total of 7,527 extrabudgetary posts, as compared with 7,260 for 2002-2003. The total initially estimated for the proposed programme budget for the biennium 2002-2003 was 7,580. The Advisory Committee was informed that the total included posts for support services and substantive activities (including posts financed from operational funds at established United Nations offices and those financed from the support account for peacekeeping operations). Annex III below provides a breakdown of those posts by category of expenditure and compares the estimated total for 2004-2005 with the total number of those posts in 2002-2003.

136. In accordance with the terms of section II, paragraph 2, of General Assembly resolution 35/217, the Advisory Committee, since submitting its first report on the proposed programme budget for the biennium 2002-2003,[2] concurred with the request by the Secretary-General to reclassify the post of the Chief of the Mine Action Service from the D-1 to the D-2 level.

137. The Advisory Committee has also received a request from the United Nations Development Programme (UNDP) for the establishment of an Assistant Secretary-General post for crisis prevention and recovery to be funded from extrabudgetary resources. However, the Committee was not in a position to concur with the request and asked that the issue of the review of the structure of UNDP bureaux and other organizational units be presented in the context of its budget estimates for 2004-2005.

O. New format of chapter II

138. In response to the changes made in the presentation of the proposed programme budget, the Advisory Committee has refined and streamlined the presentation of its observations and recommendations on specific sections of the proposed programme budget, which are contained in chapter II below. The aim of the Committee is to highlight and focus on change — what is different and what is new — rather than repeating data that is contained in the proposed programme budget. In this streamlined approach, major emphasis is placed on observations and recommendations aimed at improving the management and utilization of resources. In addition, during this "formative" phase of the development of results-based budgeting, the Committee has attempted to provide further guidance with a view to improving the transparency of the proposed programme budget and promoting progress towards a fuller realization of the logical framework.[3] The new format also facilitates reference to requests for additional resources by grouping them together by object of expenditure. This should help to focus consideration of these matters, since results-based budgeting has not yet reached the stage where consideration of resource requirements can be subordinated. In this connection, it should be noted that all references to budgetary resources in the present report, as requested in the text of the proposed programme budget, are at revised 2002-2003 rates (i.e., before recosting), unless specifically noted as being at 2004-2005 rates.

139. For ease of reference, the Advisory Committee is providing detailed information, in tabular form, on proposals for regular budget posts in annex I below and for projected extrabudgetary posts in annexes II and III. The provision of this information comprehensively in the annexes has obviated the need to include it, section by section, in chapter II.

P. Cooperation with other United Nations bodies

140. Since the issuance of its first report on the proposed programme budget for 2002-2003,[2] the Advisory Committee has submitted reports to the following United Nations bodies:

(a) Executive Board of UNDP and the United Nations Population Fund (UNFPA):

(i) UNDP: Budget estimates for the biennium 2002-2003 (DP/2001/24);

(ii) UNFPA: Biennial support budget estimates for 2002-2003 (DP/FPA/2001/12);

(iii) United Nations Office for Project Services (UNOPS): Revised budget estimates for the biennium 2000-2001, budget estimates for the biennium 2002-2003 and report on the level of the operational reserve (DP/2001/29);

(iv) UNFPA: Revised estimates for the biennial support budget for 2002-2003 (DP/FPA/2002/10);

(v) UNOPS: Revised budget estimates for the biennium 2002-2003 (DP/2002/34);

(vi) Delegation of formal authority to the Executive Director of UNFPA on personnel matters (DP/FPA/2003/10);

(vii) UNOPS: Revised budget estimates for the biennium 2002-2003, budget estimates for the biennium 2004-2005 and report on the level of the operational reserve (DP/2003/39);

(viii) UNFPA: Estimates for the biennial support budget for 2004-2005 (DP/FPA/2003/12);

(ix) UNDP: Biennial budget estimates for 2004-2005 (DP/2003/29);

(b) Executive Board of the United Nations Children's Fund (UNICEF):

(i) Biennial support budget for 2002-2003 (E/ICEF/2001/AB/L.11);

(ii) Cash assistance to Government in the context of UNICEF programme cooperation modalities (E/ICEF/2002/AB/L.6);

(iii) UNICEF recovery policy (E/ICEF/2003/AB/L.2);

(iv) Recovery policy and review of the issue of establishing an operational reserve (E/ICEF/2003/AB/L.6);

(c) UNHCR: Executive Committee of the High Commissioner's Programme:

(i) Annual programme budget for 2002 (A/AC.96/950/Add.1);

(ii) Annual programme budget for 2003 (A/AC.96/964/Add.1);

(d) Executive Board of the World Food Programme:

(i) Second progress report on the implementation of recommendations in the 1998-1999 report of the external auditor; appointment of the external auditor for 2002-2005: final report of the Evaluation Panel; biennial budget for the period 2002-2003; and WFP information network and global system (WINGS) for cost analysis and cost containment (WFP/EB.3/2001/5(A,B,C,D)/2);

(ii) Cash and investment: level of financial investment and investment policy and balances of projects closed prior to 2001 and migrated to WINGS (WFP/EB.1/2002/4(A,B)/2);

(iii) Preliminary review of the indirect support cost rate and utilization of contributions and waivers of costs (WFP/EB.A/2002/6(A,C)/2);

(iv) Audited biennial accounts for 2000-2001; report on budgetary performance, 2000-2001; final report on the analysis of the indirect support cost rate; WFP's cash balances: composition and appropriate levels of cash; and final report on balances of projects closed prior to 2001 and migrated to WINGS (WFP/EB.3/2002/5(A,B,C,D,E)/2);

(v) Programme of work and annotated outline for the 2003 review of resource and long-term financing policies and on the programme of work of the external auditor for the 2002-2003 biennium;

(vi) Issues on financial policies; comprehensive financial report; and amendments to WFP financial regulations (WFP/EB.A/2003/6(A,B,C)/2);

(e) Board of Trustees of the United Nations Institute for Disarmament Research:

(i) Draft work programme and proposed budget for 2002;

(ii) Draft work programme and proposed budget for 2003;

(f) Commission on Narcotic Drugs:

(i) Proposed final budget for the biennium 2000-2001 and proposed initial budget for the biennium 2002-2003 (E/CN.7/2001/18);

(ii) Proposed revised budget for the biennium 2002-2003 and proposed outline for the biennium 2004-2005 (E/CN.7/2003/16);

(g) Advisory Commission of UNRWA: proposed budget for the biennium 2002-2003;

(h) Council of the United Nations University (UNU): proposed academic programme and budget of UNU for the biennium 2002-2003 (UNU/C/48/L.5/Add.1);

(i) Governing Council of UNEP: proposed biennial programme and support budget for 2004-2005 (UNEP/GC.22/6/Add.1);

(j) Governing Council of the United Nations Human Settlements Programme: proposed budget of the United Nations Habitat and Human Settlements Foundation for the biennium 2004-2005 (HSP/GC/19/9/Add.1);

(k) Board of Trustees of the United Nations Institute for Training and Research (UNITAR): Institute's programme budget for 2003.

Q. Recapitulation and overall position of the Advisory Committee on the initial estimates for the biennium 2004-2005

141. The Secretary-General indicates that, before recosting, "the overall real growth in resources for the budget as a whole would amount to just 0.5 per cent" (Introduction, paras. 4 and 58), and in his Foreword, he commends the proposals to the attention of the General Assembly. An analysis of the estimates by the Advisory Committee revealed a number of possibilities for adjustment. **Should the Assembly wish to approve a programme budget for 2004-2005 at a level lower than what has been proposed by the Secretary-General, the Committee is of the opinion that such reductions as may be decided by the Assembly should be based on an analysis of specific items. To that end, the Committee, in the paragraphs below, puts forward proposals for specific reductions in a number of areas (see table 11 below).**

Posts

142. In paragraphs 50 to 79 above, the Advisory Committee has made extensive comments and recommendations on posts. While its specific recommendations on individual requests for new posts and reclassifications are contained in chapter II, the Committee was guided by a number of general considerations. **Regarding requests for new General Service posts, the Committee took into account its concern about the ratio of General Service to Professional posts (discussed in paras. 61-62 above), as well as the impact of the investment in information and communication technology. In most cases the Committee, unless it found a compelling reason otherwise, did not recommend in favour of additional support staff. For Professional posts, the Committee applied the criteria**

discussed in paragraphs 80 to 83 above. Consequently, the Committee recommended in favour of an additional Professional post only after it was convinced that every effort had been made to accommodate the additional requirement through increased efficiency and/or productivity or through redeployment.

143. **In this connection, the Advisory Committee in a number of cases, while recognizing the need for and supporting the request for an additional function, was of the opinion that it was appropriate that the requirement be met through redeployment. The Committee has made several references to the need for the Secretary-General to manage the Secretariat as a whole. The Committee therefore trusts that redeployments would be effected Secretariat-wide, with no post being "owned" by any particular unit.** In this connection, the Advisory Committee recalls its previous statement that

> "the Financial Regulations, which accord the Secretary-General the necessary flexibility in the management of the staff, should be adhered to. When the movement of a post represents the transfer of resources between appropriation sections, the prior concurrence of the Advisory Committee must be sought. As has been pointed out before, this concurrence can be sought at any time throughout the year and procedures are in place to ensure a quick response from the Committee" (A/48/7 para. 20).

144. The Advisory Committee's position on reclassifications is outlined in paragraphs 67 to 79 above. If its recommendations are accepted by the General Assembly, then all reclassifications from G-1 to G-6 and P-1 to P-5 would have to be implemented through the exchange of posts, with a consequential reduction in the estimates for 2004-2005. In view of its position on the ratio of support staff to Professional staff, the Committee has, in a number of cases, recommended in favour of requests to reclassify posts from the General Service to the Professional category.

145. A recapitulation of the budgetary reductions resulting from the Advisory Committee's recommendations on posts and reclassifications is contained in table 11; they total $12.5 million gross (at 2004-2005 rates).

Vacancies

146. The vacancy situation is discussed in paragraphs 58 to 60 above. As a result of the adjustment of the rates described therein, there would be a consequential reduction in the estimates of $12.5 million gross (at 2004-2005 rates) (see table 11).

Travel of staff

147. The application of the Advisory Committee's observations on travel of staff, set out in paragraphs 97 to 99 above, would result in reductions totalling $1.9 million (at 2004-2005 rates) (see table 11).

Consultants

148. The category of consultants and experts shows real growth of approximately $4.2 million (before recosting). However, of this amount, some $2,970,000 directly relates to the Counter-Terrorism Committee and $336,000 is for expert groups, leaving a balance of approximately $900,000. **For the reasons given in paragraphs**

91 to 94 above, the Advisory Committee, in chapter II, has recommended reductions totalling $437,800 (at 2004-2005 rates) (see table 11).

Restoration of budget cuts

149. The position of the Advisory Committee on the restoration of budget cuts is given in paragraphs 46 and 47 above. **For the reasons given in paragraph 111, the Committee is recommending full restoration of the cuts in respect of information and communication technology. As for the requests related to common services facility infrastructure, the Committee, in many cases, found no convincing evidence of, or even reference to, the necessity of the restoration. Accordingly, it has recommended reductions totalling $7.5 million (at 2004-2005 rates) for common services facility infrastructure (see table 11).**

Furniture and equipment (including computer replacement cycle)

150. The Advisory Committee's recommendations under furniture and equipment other than for restorations take into account a number of factors, including the consequential effect of its recommendations on posts. These reductions, together with the recommended reduction on the computer replacement cycle of $2.4 million, total $3.3 million (at 2004-2005 rates) (see table 11).

General operating expenses

151. The information provided to the Advisory Committee indicates real growth of $22 million (before recosting) under general operating expenses; some $13.4 million of this relates to the restoration of common services facility infrastructure, discussed in paragraphs 46 and 47 above. The Committee has commented, where appropriate in chapter II below, and has recommended reductions totalling $1.9 million at 2004-2005 rates, excluding those for the requested restorations but including the consequential effect of the Committee's recommendations on new posts (see table 11).

Other

152. The net reduction of $1 million is mainly the result of reductions under the United Nations Truce Supervision Organization (UNTSO), the United Nations Military Observer Group in India and Pakistan (UNMOGIP) and UNHCR (sects. 5 and 25), partially offset by the reinstatement of resources for temporary assistance for meetings and general temporary assistance due to recommendations against conversion to established posts (sects. 2 and 24).

December recosting

153. The initial estimates for the forthcoming biennium, as approved by the Fifth Committee in first reading, are traditionally recosted just prior to their adoption by the General Assembly in December of the year preceding the start of the biennium. The purpose of this recosting is to take into account the effects of changes in exchange rates and rates of inflation compared with the rates used in the initial budget estimates. The rates used in the initial estimates are those approved by the Assembly in the context of the first performance report on the budget.

154. In recent years, the Advisory Committee has observed that the time constraints that generally prevail at the close of the deliberations on the budget have prevented

a close analysis and scrutiny of this recosting in a manner that could be brought to bear during the consideration of performance reports.

155. Moreover, with specific reference to the biennium 2004-2005, the months since the proposed programme budget was first costed have seen a sharp decline of the United States dollar relative to several other currencies in which United Nations expenditures are recorded. For example, the rates used in the proposed programme budget for the euro and the Swiss franc were €1.07 to the dollar and SwF 1.58 to the dollar. As at 1 July 2003, they stood at €0.875 to the dollar and SwF 1.35 to the dollar. Table 2 above shows the effect of a 1 per cent downward movement of the United States dollar relative to other currencies.

156. However, currencies invariably fluctuate and the United States dollar is likely to fluctuate further during the course of the coming biennium. Even with the partial rebound of the dollar experienced by mid-August, it is still not certain that the rates used in the estimates will be borne out by experience. Under the circumstances, the amount to be appropriated and assessed as a result of the recosting exercise may turn out to be considerably at variance with actual requirements.

157. **The General Assembly, taking into account the prevailing situation, may therefore wish to consider scheduling its detailed consideration of what additional requirements, if any, would arise from currency movements and inflation to a time when a more complete picture has emerged, such as during its consideration of the first performance report. The Advisory Committee points out that such a course of action would be fully consistent with the provisions of annex I, paragraphs 10 and 11, of General Assembly resolution 41/213 of 19 December 1986.**

Table 11

Summary of the recommendations of the Advisory Committee on the proposed programme budget for the biennium 2004-2005

(Thousands of United States dollars, at 2004-2005 rates)

Budget section	Posts	Vacancy rate adjustment	Travel of staff	Consultants	Common services restoration	Furniture and equipment [a]	Computer replacement cycle	General operating expenses [a]	Other	Total	Recommended appropriation
1	(580.6)	(185.6)	-	-	-	(69.4)	(27.6)	(13.0)	-	(876.2)	56 311.7
2	(1 008.7)	(2 572.8)	(8.4)	-	(503.4)	(20.0)	(534.6)	(20.0)	726.8	(3 941.1)	488 970.3
3	(235.7)	(336.6)	(296.9)	-	-	(52.1)	(72.6)	(5.0)	-	(998.9)	239 156.7
4	(405.6)	(73.6)	-	-	-	(10.0)	(9.6)	(10.0)	-	(508.8)	17 161.5
5	-	(431.1)	-	-	-	(105.3)	(107.0)	-	(1 513.2)[b]	(2 156.6)	85 899.2
6	-	(21.7)	-	-	-	-	(5.8)	-	-	(27.5)	4 779.6
7	(125.0)	(86.4)	(21.8)	-	-	(3.0)	(45.0)	(2.0)	-	(283.2)	28 385.4
8	(234.9)	(179.7)	(112.9)	-	-	(7.0)	(29.7)	(4.0)	-	(568.2)	37 332.1
9	(1 186.7)	(701.9)	(77.6)	(133.9)	-	(43.0)	(106.5)	(25.0)	(41.5)	(2 316.1)	134 146.2
10	-	(19.1)	-	-	-	-	(5.7)	-	-	(24.8)	4 208.3
11	-	(41.0)	-	-	-	-	(3.4)	-	-	(44.4)	9 059.2
12	(384.1)	(494.7)	-	(244.0)	-	(8.0)	(121.7)	(6.0)	-	(1 258.5)	95 739.7
13	-	-	-	-	-	-	-	-	-	-	20 938.0
14	(151.5)	(51.8)	-	-	-	(2.0)	(6.1)	(3.0)	-	(214.4)	9 797.9
15	(220.3)	(74.3)	-	-	-	(7.0)	-	(5.0)	-	(306.6)	14 611.5
16	-	(37.8)	-	-	-	-	(4.9)	-	-	(42.7)	8 332.9
17	(237.4)	(78.5)	(26.1)	-	-	(6.0)	(18.8)	(10.0)	-	(376.8)	17 701.7
18	(44.6)	(313.6)	(317.0)	(59.9)	(661.0)	-	(177.7)	-	-	(1 573.8)	86 543.4
19	(166.2)	(359.7)	-	-	(258.5)	(195.9)	(106.3)	(6.0)	-	(1 092.6)	63 634.5
20	(401.6)	(247.9)	-	-	-	(115.6)	(68.9)	(8.0)	-	(842.0)	46 106.1
21	(105.7)	(411.9)	-	-	(900.1)	(170.9)	(136.3)	(3.0)	(177.0)	(1 904.9)	79 306.8
22	(116.2)	(276.8)	-	-	(105.6)	-	(55.1)	-	-	(553.7)	53 146.0
23	-	-	-	-	-	-	-	-	-	-	44 197.1
24[c]	(2 461.5)	(211.4)	(339.4)	-	-	(32.0)	(22.4)	(26.0)	1 225.4	(1 867.3)	51 673.1
25	-	(4.3)	-	-	-	-	-	-	(1 269.8)	(1 274.1)	48 008.0
26	-	(190.0)	-	-	-	-	-	-	-	(190.0)	32 395.1
27	(709.7)	(80.9)	(78.0)	-	-	(5.0)	(23.2)	(4.0)	-	(900.8)	22 004.5
28	(47.2)	(752.9)	(11.8)	-	(904.8)	-	(138.3)	-	-	(1 855.0)	156 947.0
29	(1 321.1)	(1 908.0)	(571.9)	-	(4 158.1)	(33.0)	520.8)	(1 795.3)	-	(10 308.2)	495 820.9
30	(214.6)	(123.5)	-	-	-	(4.5)	(22.2)	(3.5)	-	(368.3)	22 479.1
31	(196.2)	(103.7)	-	-	-	-	-	-	-	(299.9)	24 233.7
32	-	-	-	-	-	-	-	-	-	-	78 284.5
33	-	-	-	-	-	-	-	-	-	-	54 245.0
34	(1 944.9)	(2 127.9)	-	-	-	-	-	-	-	(4 072.8)	372 533.6
35	-	-	-	-	-	-	-	-	-	-	13 065.0
Total gross	**(12 500.0)**	**(12 499.1)**	**(1 861.8)**	**(437.8)**	**(7 491.5)**	**(889.7)**	**(2 370.2)**	**(1 948.8)**	**(1 049.3)**	**(41 048.2)**	**3 017 155.3**
IS 1	(1 984.0)	(2 152.2)	-	-	-	-	-	-	-	(4 136.2)	376 576.3
IS 2	-	-	-	-	-	-	-	-	-	-	23 019.1
IS 3	185.2	145.0	-	-	-	-	-	-	-	330.2	3 922.0
Total net	**(10 701.2)**	**(10 491.9)**	**(1 861.8)**	**(437.8)**	**(7 491.5)**	**(889.7)**	**(2 370.2)**	**(1 948.8)**	**(1 049.3)**	**(37 242.2)**	**2 613 637.9**

[a] Other than for the computer replacement cycle.

[b] Includes reductions under a number of objects of expenditure, but since the reductions have been recommended in respect of UNTSO and UNMOGIP, it has been reflected under "Other".

[c] Requests for posts have been deferred pending consideration of a report to the General Assembly at its fifty-eighth session (see para. VI.1 below). This also has a consequential impact on vacancies, furniture and equipment and general operating expenses.

Chapter II

Detailed recommendations on the proposed programme budget

A. Estimates of expenditure

Part I

Overall policy-making, direction and coordination

Section I

Overall policy-making, direction and coordination

Proposal submitted by the Secretary-General	$57,187,900
Revised appropriation for 2002-2003	$50,628,800
Projected extrabudgetary resources	$18,086,100

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

I.1 *One P-4, speech-writer, Executive Office of the Secretary-General (A/58/6 (Sect. 1), para. 1.37).* The Advisory Committee was informed that the additional speech-writer was needed to cope with increased workload. The Committee recalls, however, that, on its recommendation, the Speech-writing Unit was strengthened with the addition of a P-4 post in the biennium 2002-2003 and notes that, at present, the Unit consists of five Professional and three General Service staff members. In addition, the Unit has recourse to specialized contributions from relevant departments. **In the view of the Committee, the present staffing of the Unit should be sufficient. The Committee recommends against the establishment of a new P-4 post for a speech-writer.**

I.2 *One P-3, Administrative Unit, Executive Office of the Secretary-General (ibid.).* **The Committee recommends that the need for a P-3 post in the Administrative Unit be met through redeployment.**

I.3 *Reclassification from P-2 to P-3, protocol officer, Executive Office of the Secretary-General (ibid.).* See paras. 67 to 79 above.

I.4 *Reclassification of two posts from G-6 to G-7 (ibid.).* **For the reasons given in the supplementary information provided to it, the Advisory Committee recommends approval of the reclassifications.**

I.5 *One D-1, Chief, Office of the Director-General, United Nations Office at Nairobi (ibid., para. 1.50).* A new D-1 post is proposed for Chief of the Office of the Director-General in Nairobi "to support the Director-General in the overall direction and management of activities at the United Nations Office at Nairobi, including protocol, representation and liaison functions with various intergovernmental and non-governmental entities". The supplementary information provided to the Committee indicates that the establishment of the new post is requested to bring the arrangements in Nairobi in line with those at the United Nations Offices at Geneva and Vienna. **Requests for additional posts must be justified in terms of workload and organizational requirements and take into account the comments of the Committee in paragraphs 80 to 83, above. For this reason, and in view of its recommendation in section 29G below for the reclassification of the Chief of the Division of Administration in Nairobi from the D-1 to the D-2 level, the Committee recommends that, at this stage, the post of Chief of the Office of the Director-General in Nairobi be established at the P-5 level.**

I.6 *One D-2, Director, Office of the Ombudsman (ibid., para. I.61).* **While the Advisory Committee agrees that it is important to create a strong foundation for the Office in the early stages of its establishment, it is of the opinion that care must be taken not to set up a top-heavy structure at the outset.** The Committee understands that a D-1 post has been on loan to the Office from UNICEF, an arrangement that is to terminate at the end of the biennium 2002-2003. **Under the circumstances, the Committee agrees with the need for an additional post; however, it is of the view that the position of Director of the Office does not require a post at the D-2 level. The Committee therefore recommends that the post be established, but at the D-1 level. The Committee trusts that the creation of a post at the D-1 level will suffice for the management and coordination roles, as well as for the substantive functions of the Office.**

I.7 *One P-5, senior ombudsman, Office of the Ombudsman (ibid.).* **In view of the significant number of staff at Headquarters who have already sought the services of the Ombudsman, the Advisory Committee recommends approval of the senior ombudsman post at the P-5 level.**

I.8 *One P-4, special assistant, Office of the Ombudsman (ibid.).* The Advisory Committee notes that a P-4 legal officer post has been redeployed from the Executive Office of the Secretary-General to the Office of the Ombudsman. Furthermore, the workload of the Office has yet to be fully realized. **The Committee therefore recommends against the establishment of a special assistant post at the P-4 level.**

I.9 *One P-3, information advocacy and outreach officer, Office of the Ombudsman (ibid.).* **The Advisory Committee recommends approval of the post.**

I.10 *Three General Service (Other level) support staff, Office of the Ombudsman (ibid.).* As noted in paragraph I.8 above, the workload of the Office has yet to be fully realized. **The Advisory Committee therefore recommends approval of two General Service (Other level) posts rather than three.**

I.11 **In summary, should the Advisory Committee's recommendations in the paragraphs above be accepted, the staffing of the Office of the Ombudsman would total seven, as follows: one Assistant Secretary-General, one D-1, one P-5, one P-4, one P-3 and two General Service (Other level) posts. The Committee's recommendations are predicated on the fact that the workload of the Office has yet to be fully realized. The adequacy of the staff resources could therefore be reviewed on the basis of experience.**

I.12 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

I.13 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

Travel

I.14 In connection with the $725,300 (before recosting) that has been requested for the Secretary-General for travel requirements (ibid., para. 1.34), the Advisory Committee recalls paragraph I.18 of its first report on the proposed programme budget for the biennium 2002-2003,[2] in which it expressed the view that there was a need for greater transparency with regard to the total cost of travel attributed to the Secretary-General. **To this end, the Committee requests that more complete information be provided to it when it examines the next estimates.**

Furniture and equipment

I.15 The Advisory Committee was informed that the provision of $52,100 (before recosting) under furniture and equipment for the Secretary-General (ibid.) was related to the replacement of one official vehicle. In the past, requirements for such vehicles have been met through loans from outside sources. Provisions under this heading have therefore not been utilized. **The Committee understands that continuation of the existing loan cannot be guaranteed in 2004-2005. However, in the view of the Committee, this potential expenditure should not be included in the budget; rather, should the cost arise, it should be reflected in the performance report.**

Other comments and recommendations

Presentation

I.16 Upon enquiry concerning the inclusion of objectives, expected accomplishments and indicators of achievement under executive direction and management (ibid., table 1.21), the Advisory Committee was informed that this was done in response to a recommendation by the Committee for Programme and Coordination,[8] which was endorsed by the General Assembly in its resolution 56/253 of 24 December 2001, that executive direction and management be subjected to results-based presentation. **The statements of objectives, expected accomplishments and indicators of achievement presented under executive**

---

[8] Ibid., *Fifty-sixth Session, Supplement No. 16* (A/56/16), para. 59.

direction and management are too general. In the opinion of the Committee, an attempt should be made in the next proposed programme budget to refine the presentation, with a view to making it more specific and bringing it into line with results-based-budgeting principles applied in other parts of the budget.

Other matters

General Assembly

I.17 As concerns travel of representatives of Member States that are least developed countries, the Advisory Committee recalls paragraph I.9 of its first report on the proposed programme budget for the biennium 2000-2001,[6] in which it requested the Secretariat to ensure that the least developed countries were duly informed, before the start of the Assembly each year, of their entitlement to payment of travel costs to attend sessions of the Assembly in accordance with Assembly resolutions 1798 (XVII) of 11 December 1962 and 41/213 of 19 December 1986. The Committee notes from paragraphs 1.7 and 1.8 and table 1.4 of the proposed programme budget that estimated requirements for such travel amount to $1,812,800 (before recosting), representing resource growth of $163,200 over the appropriation of $1,649,600 in 2002-2003. **As the increased estimated requirements are based on experience in 2002, it appears that the implementation of the Committee's recommendation has had the desired effect.** However, the Committee was informed that not all of the 49 Member States that are least developed countries availed themselves of their entitlement. A non-usage discount factor of approximately 37 per cent has therefore been applied to the estimate; an amount of approximately $1 million has not been budgeted.

I.18 Estimated requirements for backstopping of the President of the General Assembly by the Department for General Assembly and Conference Management (ibid., table 1.8 and para. 1.12), which are to provide for general temporary assistance and overtime, amount to $113,100 before recosting. Upon enquiry as to the arrangements for backstopping, the Advisory Committee was informed that amounts for backstopping were used to augment the resources provided for the exclusive use of the President of the Assembly whenever the requirements exceeded the amount allocated to the President. The Committee was also informed that, in addition to the amount budgeted under section 1, the Department provides other support staff from its overall resources under section 2. The President also has a spokesperson at the D-1 level, budgeted under section 28, Public information, and two security officers, budgeted under section 29D, Office of Central Support Services. The Committee recalls its view set out in para. I.9 of its first report on the proposed programme budget for the biennium 2002-2003[2] that the adequacy of support for the President should be monitored. **In view of the fact that the President is now required to be available for 12 months, the current arrangement to provide support should continue to be kept under review so as to ensure that it is adequate.**

Board of Auditors

I.19 Regular budget resources requested for 2004-2005 for the Board of Auditors , including its secretariat, amount to $5,251,700, before recosting (ibid., table 1.13), reflecting an increase of $125,200, or 2.4 per cent, over the appropriation for 2002-2003. In addition, a total of $9,062,600 in extrabudgetary resources is projected for the biennium. The Advisory Committee was informed that the audit fee for 2004-2005 was estimated at $12,949,003 and included an increase of $925,996 ($73,492 from the regular budget and $852,504 extrabudgetary resources). The increase is due to changes in the membership of the Board, to new activities such as the audit of the United Nations Assistance Mission in Afghanistan and to special audit requests. Four requests have been made thus far for special audits: on the capacity of the Office of Internal Oversight Services to audit the investment management activities of the United Nations Joint Staff Pension Fund; on the capital master plan; on air operations in peacekeeping missions; and on implementation of recommendations of the Special Committee for Peacekeeping Operations and the Panel on United Nations Peacekeeping Operations. The latter two were not included in the estimated audit fee for 2004-2005, as the requests were made to the Board after the budget was submitted. A number of the special audits would require specialized expertise.

I.20 Upon request, the Advisory Committee was provided with information on the growth in the total cost of external audits since the biennium 1996-1997 (see table).

Total cost of external audits

(United States dollars)

Biennium	*Type of audit*	*Cost*	*Percentage*
1996-1997	Total cost	9 263 860	
	Regular budget	3 130 157	33.7
	Peacekeeping operations	2 154 260	23.3
	UNDP/UNFPA/UNICEF/UNOPS	2 229 020	24.1
	Other extrabudgetary programmes	1 750 423	18.9
1998-1999	Total cost	9 449 710[a]	
	Regular budget	3 079 670	32.6
	Peacekeeping operations	1 994 720	21.1
	UNDP/UNFPA/UNICEF/UNOPS	2 269 740	24.0
	Other extrabudgetary programmes	2 105 580	22.3
2000-2001	Total cost	10 759 828	100.0
	Regular budget	3 572 500	33.2
	Peacekeeping operations	2 148 240	20.0
	UNDP/UNFPA/UNICEF/UNOPS	2 436 150	22.6
	Other extrabudgetary programmes	2 602 938	24.2
2002-2003	Total cost (estimate)	12 113 792[b]	100.0
	Regular budget	4 009 640	33.0
	Peacekeeping operations	2 223 730	18.4
	UNDP/UNFPA/UNICEF/UNOPS	2 554 580	21.1
	Other extrabudgetary programmes	3 325 842	27.5
2004-2005	Total cost (estimate)	12 982 813[c]	100.0
	Regular budget	4 048 400	31.2
	Peacekeeping operations	2 250 083	17.3
	UNDP/UNFPA/UNICEF/UNOPS	2 730 808	21.0
	Other extrabudgetary programmes	3 953 522	30.5

(Footnotes on following page)

(Footnotes to table)

---

[a] Excludes the following adjustments:
- (i) Reduction of $32,460 in the audit fee of the United Nations Institute for Training and Research;
- (ii) Addition of $17,390 in the audit fee of the United Nations Interim Administration Mission in Kosovo.

[b] Excludes the following adjustments after the submission of the 2004-2005 budget:
- (i) Reduction of $38,000 to take into account the effect of revised inflation for 2002-2003;
- (ii) Reduction of $52,785 in the audit fee for the capital master plan due to a reassessment of the scope of the audit.

[c] Excludes the following adjustment made after the submission of the 2004-2005 budget: reduction of $33,810 in the fee for the special audit on the capacity of the Office of Internal Oversight Services to review the investment management function of UNJSPF, due to a reassessment of the scope of the audit.

I.21 The present practice for determining the amount of the audit fee is that the Board presents the allocation of audit assignments to the Advisory Committee for concurrence. The audit work is then divided among the three members of the Board and, at the end of each year, the auditors submit a summary of their fees. They are reimbursed up to the maximum amount approved by the General Assembly. The amount appropriated by the General Assembly is normally shared equally among the three members. However, should there be a special audit undertaken by only one Board member, the Board may decide to allocate those fees to that member.

I.22 In its report on the financial reports and audited financial statements and reports of the Board of Auditors for the period ended 31 December 2001 (A/57/439, para. 13) the Advisory Committee observed that there was a need to examine the adequacy of the audit fee, as it affected the scope of coverage and the quality of the audits. **On the basis of the information provided to it concerning actual audit costs for the four bienniums from 1996 to 2003, and taking into account the views of the members of the Board, the Advisory Committee is satisfied that the present procedure used to determine audit costs should continue. In terms of total coverage, that is to say, regular budget, extrabudgetary, peacekeeping and other activities, the projected audit cost of $12.9 million does not appear to be excessive.**

I.23 **However, the percentage of the external audit costs charged to the regular budget since 1996 appears to the Advisory Committee to be high in comparison with the percentage charged to peacekeeping operations (see table above). In the opinion of the Committee, the ratio should broadly reflect relative expenditures in the budgets concerned.**

Office of the Ombudsman

I.24 The Advisory Committee recalls that the General Assembly, in its resolution 56/253, decided to establish the position of Ombudsman at the Assistant Secretary-General level in the Office of the Secretary-General, to be supported by a legal officer at the P-4 level. As noted in paragraph 1.60 of the proposed programme budget, at the time of the adoption of the resolution, the Ombudsman was placed under the Executive Office of the Secretary-General. In the proposed programme budget for 2004-2005, a separate Office of the Ombudsman, reporting directly to the Secretary-General, is reflected in the estimates.

I.25 The Advisory Committee was informed that since its opening in 2002, the Office had seen 372 cases, of which 228 had been closed and 144 remained open. Extrapolating for a full year on the basis of current figures, the Office estimates that it can expect over 600 cases per year.

I.26 The Advisory Committee was also informed that a pilot project had been put in place at the United Nations Office at Vienna for a locally based Ombudsman who would serve under the overall substantive supervision of the United Nations Ombudsman, while reporting administratively to the Director-General of the United Nations Office at Vienna. Upon enquiry, the Committee was informed that the funding for the pilot project was to be provided by the United Nations Office at Vienna.

I.27 **The Advisory Committee trusts that the Office of the Ombudsman at Headquarters will provide leadership for ombudsmen throughout the United Nations and in the peacekeeping operations. The Ombudsman should be involved in setting up such offices, where appropriate, as well as in setting standards and operating procedures. In this connection, the Committee cautions that the use of the term "ombudsman" should not be used for external relations activities, but should be restricted to activities connected with the staff.**

I.28 The Advisory Committee notes with interest the indicator of achievement of the Office, namely, "reduction in the number of instances of recourse to the formal grievance process" (ibid., table 1.34). **In the opinion of the Committee, this indicator is of key importance. The Committee trusts that progress achieved in this area will be confirmed through use of this measure of performance.**

Executive Office of the Secretary-General

I.29 The Advisory Committee enquired about the Global Compact Trust Fund, which was shown in the additional information provided to the Committee as a source of extrabudgetary funding ($2,640,000) under executive direction and management, as well as the posts funded from it. The Committee was informed that the Global Compact was first introduced by the Secretary-General as a call to action to the international business community at the World Economic Forum held in Davos, Switzerland, in January 1999. The Trust Fund was established in January 2001 to sustain the Global Compact campaign and network. The staff charged to the Trust Fund consisted of one D-1, two P-4 and two General Service (Other level) posts funded through general temporary assistance. It was further explained that the number and level of staff charged to administer the Global Compact project depended on voluntary contributions and were adjusted depending on the balance available in the Trust Fund. During the biennium 2002-2003, monthly balances ranged from as low as $1,700 to as high as $500,000. Accordingly, no temporary posts could be approved on a continuing basis, and all staff were charged to the Trust Fund against general temporary assistance, which is authorized in instalments based on available balances.

Section 2
General Assembly affairs and conference services

Proposal submitted by the Secretary-General	$492,911,400
Revised appropriation for 2002-2003	$470,592,900
Projected extrabudgetary resources	$22,100,500

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

I.30 *Reclassification of one post from G-6 to G-7, General Assembly and Economic and Social Council Affairs Division (A/58/6 (Sect. 2), para. 2.34).* This reclassification is requested "in line with the functions performed". The supplementary information provided to the Advisory Committee contains no further explanation of the functions of the post. **Under the circumstances, the Committee does not recommend approval of the reclassification.**

I.31 *Two P-5, three P-4 and five P-3 interpreters, Interpretation Service, New York (ibid., para. 2.46).* The estimates for interpretation, meeting and publishing services include the establishment of 10 interpreter posts through conversion from temporary assistance funds. In this connection, the Advisory Committee recalls the opinion it expressed in paragraph I.46 of its first report on the proposed programme budget for the biennium 2002-2003[2] that it might be more cost-effective over time to have more established interpreter posts on the staffing table that could be used for services at the four duty stations in mutual workload-sharing arrangements rather than using temporary funds for meetings.

I.32 Upon enquiry as to the basis for the determination of the number of posts to be converted, the Advisory Committee was informed that on the basis of the historical workload pattern and a cost analysis undertaken in 2002, it was decided to establish permanently six new interpreter posts in the Arabic Section and four in the Chinese Section to allow for a capacity of 63 and 60 meetings per week respectively for the two sections (versus 49 and 51 at present), which is more in keeping with the capacity in other language booths. The intention is to permit the Department to reduce its dependency on temporary assistance for meetings and provide more cost-effective interpretation services in those two languages, for which opportunities for local recruitment are very limited. **The Committee considers this reasoning sound and recommends approval of the conversion from temporary assistance funds of 10 new interpreter posts in New York.**

I.33 *Reclassification of three posts from G-6 to G-7, Publications Unit, New York (ibid.).* The reclassifications are requested "following a management review of the related functions". No further explanation of the functions of the posts is given in the supplementary information provided to the Advisory Committee. **Under the circumstances, the Committee does not recommend approval of the reclassifications.**

I.34 *Reclassification from P-4 to P-5, Chief of the Documents Management Section, Geneva (ibid., para. 2.52).* See paragraphs 67 to 79 above.

I.35 *Two General Service (Other level) posts, Reference Unit, Geneva (ibid., para. 2.56).* The post requirements for translation and editorial services in Geneva include the conversion of temporary assistance resources to two General Service (Other level) posts in the Reference Unit. The need for these posts is not sufficiently explained in the proposed programme budget or in the supplementary information provided to the Advisory Committee. **Accordingly, the Committee does not recommend approval of the request for the posts.**

I.36 *Reclassification from P-3 to P-4, Chief, Registry, Records and Archives Unit, Geneva (ibid., para. 2.64).* See paragraphs 67 to 79 above.

I.37 A number of support posts have been proposed for Vienna, to be established through the conversion of temporary assistance funds. **In view of the comments of the Advisory Committee in chapter I above concerning the ratio of support to Professional posts and the criteria for establishing General Service posts (see paras. 61, 62 and 142), sufficient information has not been provided to support the conversions. Accordingly, the Committee recommends against the following posts:**

(a) One General Service (Other level) post, Meetings Coordination Unit, Vienna (ibid., para. 2.73);

(b) One General Service (Other level) post, Documents Control Unit, Vienna (ibid.);

(c) One General Service (Other level) post, Contractual Translation Unit, Vienna (ibid., para. 2.77);

(d) One General Service (Other level) post, Linguistic Support Unit, Vienna (ibid.).

I.38 *Reclassification from P-5 to D-1, Chief, Division of Conference Services, Nairobi (ibid., para. 2.89).* The reclassification of the post of Chief of the Division is proposed under planning, development and coordination of conference services to reflect increased managerial and operational responsibilities following the reorganization of conference services in 2000. **The Advisory Committee recommends approval of this reclassification and draws particular attention to the need for greater cooperation among conference services in Nairobi, Addis Ababa and Arusha.**

I.39 *One P-3, information technology programmer, Division of Conference Services, Nairobi (ibid.).* A new P-3 post is proposed under planning, development and coordination of conference services to manage the information and performance-monitoring systems and to lead the technical support effort for further automation initiatives of the Division. **The Advisory Committee recommends approval of this post.**

I.40 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

I.41 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications, information and communication technology, furniture and equipment and general operating expenses is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

I.42 Upon enquiry, the Advisory Committee was informed that under section 2, estimates for temporary assistance for meetings had been reduced by $2,987,700 and estimates for general temporary assistance by $206,400 as a consequence of proposals to convert such funds to posts. The Committee was also informed that the estimates for section 2 for 2004-2005 reflected reductions in temporary assistance for meetings amounting to $8,723,900 (excluding the United Nations Office at Vienna) relating mainly to: (a) the discontinuation of services provided in 2002-2003 to the Counter-Terrorism Committee; (b) the transfer of resources to more cost-effective modes of translation, such as contractual translation, and the introduction of off-site translation; and (c) the net reduction of the provision for temporary assistance for meetings as the result of the discontinuation of 220 outputs programmed for the biennium 2002-2003. **In view of the Committee's recommendations in paragraphs I.35 and I.37 above, the Committee recommends the reinstatement of $702,200 before recosting ($495,800 for temporary assistance for meetings and $206,400 for general temporary assistance), representing the funds related to the six General Service posts requested in paragraphs 2.56, 2.73 and 2.77 of the proposed programme budget.**

I.43 The Advisory Committee notes from the additional information provided to it that the estimated regular budget requirement for 2004-2005 for travel of staff under section 2 amounts to $335,500 (before recosting). This represents an increase of $8,000, or 2.4 per cent, over the appropriation for 2002-2003. **The Committee is of the opinion that, especially in view of the introduction of technological innovations such as remote translation and videoconferencing, which should diminish the need for travel of staff, the regular budget amount should be maintained without resource growth. This would entail a reduction of the estimates by $8,000 (before recosting).**

I.44 Upon enquiry, the Advisory Committee was informed that the estimates for section 2 included an amount of $859,700 (before recosting), reflecting the restoration of resources pertaining to the common services facility infrastructure, which had been reduced by the General Assembly when it approved the proposed programme budget for the biennium 2002-2003 (see paras. 46 and 47 above). The general opinion of the Committee on the restoration of such resources is that it is incumbent upon the Secretary-General in each case to demonstrate the necessity of the restoration by presenting convincing evidence that a continuation of the current situation would result in negative consequences that were otherwise avoidable.

I.45 Little or no explanation or justification was provided for the request. Indeed, the information provided to the Advisory Committee at its request was very general in nature and did not distinguish between amounts specifically linked to the restoration and requests for additional resources. **Under the circumstances, the Committee does not recommend the restoration of the following amounts (before recosting): $12,100 for general operating expenses and $200,000 for supplies and materials under interpretation, meeting and publishing services in New York.**

I.46 The provision for contractual services under translation and editorial services in New York amounts to $5,719,100 before recosting, an increase of $1,239,500 over the appropriation for 2002-2003. The Committee understands from paragraph 2.42 of the proposed programme budget that the increase reflects the expansion of contractual translation services and the introduction of distance translation of parliamentary documentation as a more cost-effective mode of translation. The Committee was also informed that the estimate for this item included the restoration of resources pertaining to the common services facility infrastructure. **However, in view of the emphasis that the Department is putting on global management and the possibilities for workload-sharing and efficiencies that should result from a globally managed Department, the Committee is of the opinion that the requirements under this item could be reduced. Accordingly, the Committee recommends approval of an amount of $5,445,600 (before recosting) for contractual services under translation and editorial services in New York. This would entail a reduction of the estimates by $273,500 (before recosting).**

Other comments and recommendations

Presentation

I.47 The Advisory Committee commends the Department for General Assembly and Conference Management for the content of the overview provided in section 2 of the proposed programme budget. **However, the Committee requests that future budget submissions include, in addition to the information provided in the fascicle under consideration, information on the results and impact of the implementation of reform measures, the results and benefits of investment in technology projects and a summary of proposed information technology projects for the coming biennium, with resource implications.**

I.48 **The Advisory Committee welcomes the changes made in the results-based budgeting presentation and its application for the various duty stations; however, refinements are needed. In a number of cases, the description of objectives (see, for example, A/58/6 (Sect. 2), table 2.13) should be simplified (see also comments of the Committee on this issue in paras. 19-25 above). There is also a need for more precision and attention to relevancy as regards indicators and performance measures.** For example, in table 2.9, the indicator of achievement reading “timely recruitment and placement of staff” should reference compliance with the Office of Human Resources Management recruitment target of 120 days, as indicated in section 29C of the proposed programme budget. Table 2.13 provides another such example. Since indicator of achievement (i) on the table deals with the timely preparation and issuance of reports, the “percentage of meetings conducted in a timely, orderly and procedurally correct manner”, which is listed as a performance measure, appears irrelevant. Logically, the performance measure should refer to the number of reports issued in accordance with approved deadlines. Furthermore, as it does not preside over intergovernmental meetings, the Secretariat has little control over the manner in which such meetings are conducted.

I.49 In table 2.15 of the proposed programme budget, the performance measure reading "percentage of parliamentary documents issued in a timely manner" should have referred to the current statutory requirement for issuance of documents six weeks before the opening of the session of the legislative body concerned. Upon enquiry, the Advisory Committee was informed that the target for 2004-2005 of the timely issuance of 90 per cent of documents did not refer to compliance with the six-week rule, but rather to the new slotting system, whereby documents are issued four weeks in advance of consideration of the item by the body concerned. **The Committee points out, however, that the General Assembly, in section III, paragraph 2, of its resolution 57/283 B, reiterated its request to the Secretary-General to ensure that documentation is available in accordance with the six-week rule for distribution of documents simultaneously in the six official languages of the Assembly.**

I.50 With regard to the utilization of surveys to determine user satisfaction and improvements in services, as indicated in table 2.17, the Advisory Committee has commented in chapter I above on the limitations inherent in the mechanical conduct of surveys and the need to establish standards for such surveys so that there is consistency in conducting them and uniform procedures to analyse results (see para. 25 above).

I.51 **The presentation of outputs also requires improvement. Instead of long narratives listing numbers of outputs, as, for example in paragraph 2.33, information should be provided in graphs and charts indicating trends, by subprogramme, of services and other products. Such a presentation could provide a clearer picture to support the level of resources being requested.**

Proposed transfer of the Fifth and Sixth Committee secretariats to the Department for General Assembly and Conference Management

I.52 The Advisory Committee exchanged views with the representatives of the Secretary-General concerning the proposed transfer of the Fifth and Sixth Committee secretariats to the Department for General Assembly and Conference Management. The Committee enquired about the effect the transfer would have on the need to preserve experience and knowledge on substantive and procedural matters relating to the work of the committees and on reporting lines. The Committee also enquired about the expected efficiencies to be realized and the proposed physical location of the secretariats.

I.53 The Advisory Committee was informed that one of the reasons for the transfer was a perceived potential for conflict of interest, for example, if the secretariat of the Fifth Committee were to be organizationally part of the Department of Management. The reasoning is that such staff could end up subject to split loyalties — to the substantive department and to the committee they serviced — and placing them in the Department for General Assembly and Conference Management would ensure that their loyalties were to the committee they serviced. The Committee was also informed that it was expected that synergies would result from combining the technical secretariats and placing them in the Department.

I.54 From the discussions the Advisory Committee held with the representatives of the Secretary-General, it became clear that what was meant by "synergies" was that staff of each of the technical secretariats could be assigned elsewhere if they were not needed in their own committee. The Committee was further informed that Fifth and Sixth Committee secretariat staff would report to the Under-Secretary-General for General Assembly and Conference Management, but in some matters also to the Under-Secretary-General for Management or the Legal Counsel.

I.55 **The concept outlined above relates more closely to the functions of conference officers than to the role of the secretariats of the Fifth and Sixth Committees. The proper application of rules and procedures and the provision of advice on such matters cannot be completely divorced from knowledge of the substance about which the rules would be invoked. Furthermore, in order for the secretariat of the Fifth Committee, for example, to perform its functions effectively, it must work closely with the Under-Secretary-General for Management, the Controller, the Director of the Budget and other officials. Moreover, the Advisory Committee foresees a potential for confusion and conflict as regards the lines of reporting. Accordingly, before a decision is taken on the proposed transfer, the General Assembly may wish to take into account the views of the Advisory Committee.**

Workload and staffing requirements

I.56 Estimated regular budget requirements for posts and other staff costs for 2004-2005 amount to $406,943,700 before recosting, a decrease of $9,224,100, or 2.2 per cent, as compared with the appropriation of $416,167,800 for 2002-2003. The estimates include a reduction of $12.4 million under other staff costs, which is due largely to a reduction in temporary assistance funds for meetings as a result of proposals to convert such funds to established posts and the discontinuation of services provided in 2002-2003 to the Counter-Terrorism Committee (see para. I.42 above).

I.57 The Advisory Committee recalls its observation in paragraph I.41 of its first report on the proposed programme budget for the biennium 2002-2003[2] that the demand for a variety of services appeared to exceed the capacity and the available resources of the Department. Upon request, the Committee was provided with additional information on workload indicators for each of the services at each duty station (see annex X below). The Committee notes from the information provided that the total estimated number of meetings to be held in 2004-2005, in most cases, is similar to the number to be held in 2002-2003, and that the workload in the translation, editorial, interpretation, text-processing and reproduction services is, with a few exceptions, decreasing or remaining the same. Where there are increases, they are not, for the most part, significant. No information has been provided, however, on services that could not be delivered because of lack of capacity. The Committee notes that the information provided to it on past performance merely represents what has been implemented; if services were not delivered for lack of capacity, the statistics would show decreases or no change between bienniums. The Committee has commented on this issue in the past (see, for example, ibid., para. I.42).

I.58 With regard to workload standards, the Advisory Committee recalls its request in paragraph I.52 of its previous report[2] that workload standards for conference services be kept under review in view of the potential for an increase in productivity as a result of the utilization of new technology. The Committee also recalls that the General Assembly, in its resolution 57/283 B, requested the Secretary-General to develop methods and indicators for assessing the performance of conference services from a full-system standpoint, recognized the need to develop or update existing workload standards and invited the Secretary-General to develop further performance indicators in order to evaluate the functions performed by the language services (resolution 57/283 B, sect. II.A, para. 19, and sect. II.B, paras. 4 and 5).

I.59 **The Advisory Committee is of the view that the time has come to undertake systematically the tasks requested by the General Assembly. For a proper review to be conducted, the Secretariat must be allowed sufficient time.** The Committee was informed, upon enquiry, that given the many changes that are taking place in the Department, including the implementation of technological and other measures to improve its performance, as well as the fact that many of the technological improvement projects were still in their infancy, it was unlikely that a report on this issue would be submitted to the Assembly at its fifty-eighth session. **The Committee therefore recommends that the Assembly consider rescheduling the submission of the report for its fifty-ninth session, in time for the results to be used in formulating the proposed programme budget for the biennium 2006-2007, which will be considered in 2005.**

I.60 The Advisory Committee was informed that any reductions in staffing to be made as the result of efficiencies gained through the implementation of technological improvements would be met through attrition. **In order not to discourage reforms and the introduction and greater use of new technology, the Committee recommends that, where appropriate, affected staff could also be retrained.** Upon request, the Committee was provided with information concerning the number of staff retired from the Department in 2002 and projections for 2003 and 2004. The Committee notes that language staff continue to be employed even after retirement. In this connection, the Committee recalls section VI, paragraph 1, of General Assembly resolution 57/305 of 15 April 2003, by which the Assembly endorsed the recommendation of the Committee that the maximum limit on the employment of retired language staff be set at 125 workdays per year.

I.61 The Advisory Committee notes indicator of achievement (b) (i) in table 2.15, reading "sharing of assignments among United Nations offices … based on available capacity and local workload". Upon enquiry as regards the means of sharing information on conference-servicing capacity, the Committee was informed that this was done by officials of the various duty stations on an ad hoc basis by e-mail and telephone. **In the view of the Committee, this is a very inefficient and unreliable means of sharing such information. Furthermore, the Committee expresses concern about the lack of interactive capability between the integrated Documents Control and Productivity Monitoring System (iDCPMS) used in Vienna and the electronic Documents Registration, Information and Tracking System (e-DRITS) used in New York and Geneva.** The Committee was informed that the two systems were not interactive because they operated on different platforms.

I.62 Of even greater concern is the information provided to the Committee that the Vienna system was being used in Nairobi and that steps were being taken to introduce it at the Economic and Social Commission for Western Asia (ESCWA). That is to say that, instead of being redressed, the inability to communicate electronically among duty stations regarding workload is being exacerbated. This is not a good example of proper planning and coordination. **Immediate steps should be taken to redress this situation.**

I.63 **In the light of the foregoing comments, the Advisory Committee requests that the next budget estimates include precise information on the means used to share conference-servicing workload, such as loaning interpretation staff and sharing assignments among duty stations in the areas of document processing, translation and printing. The Committee also recommends the establishment of electronic means to determine workload across the four main duty stations in order to ensure that accurate information on the capacity of the various services is available to all the duty stations instantaneously. This will greatly improve the process of decision-making regarding the transfer of work for processing among duty stations (see also paras. I.79 and I.80 below concerning the proposed study on integrated global management).**

I.64 Upon enquiry, the Advisory Committee was informed that, pending a decision by the General Assembly, conference-servicing costs for sessions of the Conferences of Parties of the United Nations Framework Convention on Climate Change and the United Nations Convention to Combat Desertification and their subsidiary bodies were not included in the estimates for 2004-2005. Conference-servicing resources would therefore depend on such action as the Assembly might take on this matter.

Information technology

I.65 From the additional information provided to it, the Advisory Committee notes that the resources requested under section 2 for information technology amount to $15,273,000 (before recosting). This amount represents an increase of $4,784,500, or 45.6 per cent, over the amount of $10,488,500 appropriated for the biennium 2002-2003. However, the estimate does not include amounts for conference services included under section 33 for upgrading of the information technology infrastructure, which the Committee was informed totalled $2,491,000. The Committee was informed that the proposed resource growth of $4,784,500 comprised $3,037,700 in resources for the information and communication technology strategy and $1,746,800 for the restoration of reductions in information technology resources made in 2002-2003. The Committee has commented on the issue of the restoration of information technology resources in paragraphs 109 to 113 above and in section 29D below.

I.66 The Advisory Committee notes that the information technology function is being reorganized and the staff capacity strengthened through the redeployment of posts (see paras. 2.12 and 2.13 of the proposed programme budget). The Committee recalls its comments in paragraphs I.51 to I.55 of its first report on the proposed programme budget for the biennium 2002-2003,[2] in particular its observation in paragraph I.51 that there was little indication in the proposed programme budget of progress achieved in the implementation of ongoing information technology projects, nor was there any indication of the estimated cost of implementing new technologies. The same problems remain in the estimates for 2004-2005.

I.67 Upon enquiry as to whether the projects outlined in section 2 had been subjected to the standards for determining overall return on investment, as set out in the information and communication technology strategy (see A/57/620, paras. 31 and 77), the Advisory Committee was informed that all departmental projects followed the standards set in the information and communication strategy, but that at the present stage return on investment was difficult to quantify. Upon request, the Committee was provided with details concerning the progress of implementation of departmental information and communication projects.

I.68 It is clear to the Advisory Committee that the potential of information technology with respect to the services provided under section 2 has not been fully exploited. **The Committee requests that future budget estimates clearly indicate progress made in the implementation of information technology projects, benefits obtained and future proposals. This important support function should be clearly identified in the proposed budget, including total cost, total staffing and other requirements, as well as an indication of benefits relative to costs of proposed projects in accordance with the guidelines set out in the information and communication technology strategy.**

I.69 The Advisory Committee recalls that in the proposed programme budget for the biennium 2002-2003 it was stated that efforts would continue to increase the electronic submission of documents from substantive offices and from within the Conference Services Division in Geneva, further reducing processing time, and that information technology applications put into place during the previous biennium would be strengthened and extended (A/56/6, para. 2.42). During its consideration of the budget estimates for 2002-2003, the Committee was informed that one of those applications would be e-DRITS. More or less the same commitment is made for 2004-2005. In paragraph 2.49 of the estimates for 2004-2005, it is stated that the electronic flow of documentation inside and outside the Division would be expanded, thus contributing to a reduction in processing time. In paragraph 2.51, one of the outputs listed under information technology is continuous improvement and maintenance of the Geneva DRITS.

I.70 **The Advisory Committee strongly believes that investment in information and communication technology is key to increasing the productivity and the efficient operation of all conference services and activities. The Committee notes with concern, however, that, as shown in the references mentioned in paragraph I.69 above, there has been a series of statements about improvement and expansion of information technology applications from one biennium to another without an overall picture of the progress made, the benefits achieved and the next steps to be taken. The Committee trusts that, with the initiation of planning along the lines described in the information and communication technology strategy, a more systematic plan of action to automate conference services will now be undertaken and that information concerning the short- and long-term benefits of such action will be provided to Member States. The Committee recommends that the Secretariat formulate a strategy for conference services that would redirect some resources now used for staff costs to investment in technology for conference operations. In this connection, see the comments of the Committee on attrition and retraining of staff in paragraph I.60 above.**

I.71 As concerns information technology equipment, the Advisory Committee has recommended that a replacement cycle of four years for personal computers be applied at Headquarters and offices away from Headquarters (see sect. 29D below).

Comments on subprogrammes

I.72 The Advisory Committee notes the statement in paragraph 2.6 of the proposed programme budget that the strategy developed as the outcome of a comprehensive internal review undertaken by the Department in New York to improve its performance "will be achieved largely through reorganizing, grouping and strengthening functions in certain areas of the Department and making corresponding resource adjustments". The Committee also notes the statement in paragraph 2.10 that the proposed programme's specific objectives, expected accomplishments and indicators of achievement for the biennium 2004-2005, together with the resources required, are presented by organizational unit.

I.73 **The Advisory Committee points out that the reorganization has affected the content of a number of subprogrammes, distorting requirements and hindering the process of evaluation and comparison of similar services and requirements from one biennium to the next.** For example, the Committee notes that the Headquarters subprogramme entitled "planning, development and coordination of conference services" now includes information technology activities previously presented under programme support. The Committee was also informed that general temporary assistance for meetings had been consolidated under this subprogramme. **In future, transfers into or out of subprogrammes should be justified in terms of functions and workload.**

I.74 Furthermore, the Advisory Committee notes that, in many cases, redeployments within and among subprogrammes are simply listed, with no indication as to the reasons behind the transfers or what problem or weakness the change is intended to address. **The Committee requests that, in future, redeployments and exchanges be fully explained in the budget document. Furthermore, the Committee understands that in some cases, reform, streamlining or introduction of technologies could lead to the discontinuation of posts. When such posts are used to increase numbers in other subprogrammes, a full explanation should be given of the reasons for the increase.**

I.75 **The Advisory Committee also reiterates its view that in order to have an accurate picture of the resource requirements of the subprogrammes, the content of the subprogrammes should be standardized among the duty stations.** Upon enquiry, the Committee was informed that standardization of the contents of the subprogrammes was possible, but that it could involve a reorganization of the units concerned.

I.76 Also on the issue of the structure of subprogrammes, the Advisory Committee considers unsatisfactory the reply provided in table 2.46 to its recommendation concerning the need to review the content of the subprogramme on interpretation, meeting and publishing services. **The Committee reiterates its view that publishing should be combined with other services dealing with the processing and production of documents, rather than with interpretation.**

Planning, development and coordination of conference services

I.77 The Advisory Committee has commented on aspects of the reorganization of this subprogramme, in particular the transfer of responsibility for information and communication technology support to the subprogramme, in paragraph I.73 above.

I.78 The comments of the Advisory Committee concerning redeployments proposed for section 2 (see para. I.74 above) apply particularly to this subprogramme. **While the Committee does not, in general, object to the redeployments, it reiterates its request that the reasons for redeployments be fully explained in the budget document.**

I.79 The Advisory Committee notes that the Department for General Assembly and Conference Management intends to concentrate in 2004-2005 on improving the conference-servicing performance of the offices away from Headquarters, in the context of furthering the goal of integrated global management, and on streamlining the overall management of conference-servicing resources at the four main duty stations (see A/58/6 (Sect. 2), para. 2.7). During the course of its meetings with representatives of the Secretary-General, the Committee was informed that a major study on global management was to be undertaken by the Department in cooperation with the Office of Internal Oversight Services.

I.80 Upon enquiry, the Advisory Committee was informed that the study, which is to begin at the end of 2003, will focus on the implications of the mandates contained in General Assembly resolutions on the pattern of conferences, in particular resolutions 56/242 of 24 December 2001 and 57/283 B, the authority in operational, staffing and financial fields that is necessary to carry out the mandates and the ways and means to operationalize the concept of global management. The intended accomplishments of the study are to ascertain the scope of integrated global management, in line with successive legislative and administrative mandates; to devise a practical approach to integrated global management based on broad consensus among the duty stations on what is both desirable and practicable, paying full attention to the requisite operational, staffing and financial authority and accountability; and to revise relevant bulletins of the Secretary-General to reflect new developments in this respect.

I.81 The Advisory Committee notes from tables 2.15, 2.22, 2.31 and 2.39 of the proposed programme budget that the performance measures for workload-sharing differ from one duty station to the next. In New York, percentages are used; in Geneva, the number of translator-days multiplied by the workload standard for translators (1,650 words) is used for translators and the number of workdays for interpreters; in Vienna, the number of words is used for translators and the number of staff-days for interpreters; and in Nairobi, the number of assignments is used for translators and the number of staff-days for interpreters. **In order to minimize coordination difficulties, to promote comparability and therefore to reduce the difficulty of determining workload that is shared among duty stations, the nature and standards for formulating expected accomplishments, indicators of achievement and performance measures should be consistent for similar services regardless of duty station.**

I.82 Upon enquiry, the Advisory Committee was informed that the proposed staffing of the Information Management and Technology Unit in New York was 1 P-5, 1 G-7 and 19 General Service (Other level) posts. The Committee was also informed that the staffing of the Unit would be supplemented by temporary positions, equivalent in dollar terms to three Professional posts, to be financed from temporary assistance funds to accommodate programme priorities, in particular during peak periods such as sessions of the General Assembly and the Economic and Social Council.

I.83 The Advisory Committee was informed that the additional requirement of $1,794,600 under general operating expenses for the subprogramme on planning, development and coordination of conference services in New York was related to increased monthly rates for the use of telephone lines ($753,500) and the maintenance of office automation equipment ($1,041,100). The latter figure would need to be adjusted in the light of the recommendation of the Committee in section 29D that the replacement cycle for personal computers should be every four years rather than every three.

I.84 The Advisory Committee takes note of the report of the Secretary-General on filling the remaining vacancies in the Arabic and English Units in the Interpretation Section at the United Nations Office at Nairobi (A/57/783) and on utilization of conference facilities and services at the United Nations Office at Nairobi (A/57/809).

Translation and editorial services

I.85 A number of information technology projects are described in paragraph 2.39 of the proposed programme budget. The Advisory Committee notes, however, that little information is given on the implementation of information technology projects and results achieved or to be achieved with respect to past or proposed projects. For example, the use of digital technology in translation, precis writing and verbatim reporting, as was discussed in paragraph I.54 of the first report on the proposed programme budget for the biennium 2002-2003,[2] could have a considerable effect on productivity and the deployment of personnel, yet no follow-up information is provided on this subject. The Committee has commented on this issue in paragraph I.68 above.

Library services

I.86 The Advisory Committee recalls paragraph I.29 of its first report on the proposed programme budget for the biennium 2002-2003,[2] in which it noted that library services fell under different budget sections depending on the duty station, and reiterated that the structure of section 2 should be reviewed with a view to rationalizing it, taking into account the views of the libraries and the users. In this connection, the Committee also recalls General Assembly resolution 57/300, in which the Assembly took note of the proposals of the Secretary-General contained in action 9 of his report on strengthening of the United Nations: an agenda for further change (A/57/387 and Corr.1), which were intended to improve the management of the libraries, and requested the Secretary-General to submit a report for further consideration by the relevant United Nations bodies, including the Committee on Information at its twenty-fifth session, with a view to taking a decision on the proposals of the Secretary-General in that regard at its fifty-eighth session.

I.87 The Advisory Committee was informed that a report had been submitted to the Committee on Information at its twenty-fifth session setting out the mandate and functions of the newly established Steering Committee for the Modernization and Integrated Management of United Nations Libraries (A/AC.198/2003/5), and that a progress report on the work of the Steering Committee would be submitted to the Committee on Information at its next session, to be held in September 2003.

Part II
Political affairs

Section 3
Political affairs

Proposal submitted by the Secretary-General	$240,155,600
Revised appropriation for 2002-2003	$251,550,300
Projected extrabudgetary resources	$10,905,400

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

II.1 *One P-4, Americas and Europe Division, subprogramme 1 (A/58/6 (Sect. 3) and Corr.1, para. 3.29).* The Advisory Committee was informed that the incumbent of this post would be assigned to assist in conflict-prevention efforts in the Latin American region. The Committee was provided with information on the increase in workload related to the intensification of the Division's activities in Argentina, Guyana and Venezuela (which is not expected to diminish in the short or medium term), in Colombia and the Andean region and in relation to the Guatemala and El Salvador peace processes. The workload is also expected to increase with respect to Haiti, given the expected involvement of the Department of Political Affairs leading to the 2003 elections and peace-building efforts thereafter. **Consequently, the Committee recommends acceptance of this proposal.**

II.2 *Conversion of eight posts funded under general temporary assistance to temporary posts for secretariat support to the Counter-Terrorism Committee (ibid., para. 3.42).* To date, these posts have been funded under the provision for special political missions. They would now be integrated into the Department of Political Affairs under subprogramme 3, Security Council affairs. **While the Advisory Committee is reiterating its request for a review of the arrangements in support of the Security Council (see para. II.10 below), the Committee has no objection to this proposal.**

II.3 *Reclassification of one General Service (Other level) post to the Principal level under programme support (ibid., para. 3.53).* The reclassification of this post, to be utilized in the Information Management Team component of the Executive Office, was requested in the programme budget for 2002-2003, and the General Assembly did not agree to the reclassification. **The Advisory Committee has called for the streamlining of support mechanisms, in particular Security Council mechanisms (see para. II.10 below), in order to increase efficiency and release support resources that could be redeployed to other areas of the Department. The Committee is of the opinion that the need to reclassify this post should be met through redeployment.**

II.4 *Establishment of six new posts (1 P-3, 1 Security Service, 4 General Service (Local level)), Office of the Special Coordinator for the Middle East Peace Process (ibid., para. 3.67).* The four General Service posts would be for three security guards and one administrative assistant. The Advisory Committee was informed that the request was based on an assessment of the security situation in the region carried out in June 2002 by the United Nations Security Service. Current security arrangements include five Security Service officers, six Local level guards and one security coordinator (P-3), which has been provided through the use of a vacant post. **The Committee recommends acceptance of four posts: the Security Service post and the three Local level security guard posts, but not of the administrative assistant post. As to the P-3 post for the security coordinator, the Committee recommends that that need be addressed through redeployment.**

II.5 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates), in table 11 above.**

Recommendations on non-post resources

II.6 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, general operating expenses, furniture and equipment, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

Travel of staff

II.7 The total resources proposed for travel of staff for 2004-2005, excluding special political missions (see para. 97 above), amounts to $2,069,100 (before recosting), of which $1,509,100 relates to the Department of Political Affairs and $560,000 relates to the Office of the United Nations Special Coordinator in the Occupied Territories. The increase of $276,500 (before recosting), as compared with the 2002-2003 provision of $1,792,600, includes the restoration of $201,000 cut by the General Assembly when adopting the budget for 2002-2003 (which is not included in the request to restore resources for the common services facility infrastructure (see para. 46 above) and resource growth of $75,500. **In view of the failure to justify either the need for the restoration of resources or the increased requirements, the Committee recommends that the total resources for travel of staff under section 3, excluding special political missions, be reduced by the amount of the increase, or $276,500 (before recosting).**

Office of the United Nations Special Coordinator for the Middle East Peace Process

II.8 The Advisory Committee, in paragraph II.4 above, referred to the security assessment carried out by the United Nations Security Service in June 2002, which led to a request for new posts. The Committee also notes other proposed increases for the Office of the Special Coordinator related to security needs, such as under general operating expenses ($140,700) in the area of communications, and under furniture and equipment ($423,200) for the purchase and replacement of communication and transportation equipment, including the acquisition of an armoured vehicle, the transfer of armoured land cruisers and other vehicles from other missions, the installation of a Carlog system and the replacement of data-processing equipment. **The Committee recommends that the provision for furniture and equipment be reduced to $640,000 (a reduction of $43,000) at 2002-2003 rates. Furthermore, the Committee recommends following the procedure for replacement of electronic data- processing equipment set out in paragraph 113 above. The Committee has also made comments with regard to travel in the preceding paragraph.**

Other comments and recommendations

Cooperation and coordination with other entities of the United Nations

II.9 The Advisory Committee has repeatedly stressed the need to enhance timely coordination with other offices and entities of the United Nations, such as the Department of Peacekeeping Operations, UNDP and the Centre for International Crime Prevention. The Committee welcomes the changes that have occurred in the structure of the Department's relationship with the Department of Peacekeeping Operations in the context of the Secretary-General's reform proposals, which recognizes and complements the comparative strengths of both departments. An example is the operation in Afghanistan, where the Department of Peacekeeping Operations has been given the lead, providing logistics and operational management. **The Committee encourages the continuation of this type of collaboration and its extension to other missions on the basis of lessons learned.**

Security Council

II.10 The Advisory Committee recommended that the present arrangements in support of the Security Council be reviewed in the context of the proposed programme budget for 2004-2005 with a view to streamlining them and, where appropriate, that the various support capacities be integrated so as to introduce efficiency into their activities and to optimize the use of staff and other support services (A/57/7/Add.17, para. 20). Upon enquiry, the Committee was informed that no action had been taken in this regard because no consensus had emerged from the presiding officers and members of the various monitoring mechanisms. **The Committee requests that this matter be pursued more actively with a view to increasing efficiency, thereby releasing support resources that could be redeployed to other areas of the Department that require it (see para. II.3 above).**

Electoral assistance

II.11 The Advisory Committee welcomes the information provided in paragraphs 3.31 and 3.32 of the proposed budget regarding the workload related to electoral assistance. **The data in paragraph 3.32 should be presented in tabular form in future. The Committee encourages coordination and cooperation in these activities with other entities of the United Nations, such as UNDP.** The Committee was provided with the memorandum of understanding signed by the

Department and UNDP. **The Committee also encourages the Electoral Assistance Division to become more proactive with regard to lessons learned, and encourages it to share its experience, particularly as regards East Timor and Kosovo, with the Department of Peacekeeping Operations.**

Special political missions

II.12 By its resolution 57/280, the General Assembly decided to include an amount of up to $170 million for special political missions related to peace and security that are expected to be extended or approved in the course of the biennium 2004-2005. The Advisory Committee notes that, after transferring the resources of $4,398,600 related to the Counter-Terrorism Committee to policy-making organs, $374,900 in common support costs to section 29D, Office of Central Support Services, and $2,048,400 related to the Adviser for Special Assignments in Africa to section 11, United Nations support for the New Partnership for Africa's Development, the balance of resources for special missions amounts to $163,178,100 before recosting (A/58/6 (Sect. 3), paras. 3.6, 3.7, 3.55 and 3.56). The Committee was informed, upon enquiry, that that amount would be adequate for those missions expected to be extended or approved in the course of the biennium 2004-2005. However, additional requirements would continue to be treated in accordance with the relevant provisions of General Assembly resolution 41/213.

Section 4
Disarmament

Proposal submitted by the Secretary-General	$17,670,300
Revised appropriation for 2002-2003	$15,821,100
Projected extrabudgetary resources	$5,735,400

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

II.13 *One P-5, Deputy Chief, Weapons of Mass Destruction Branch, subprogramme 2 (A/58/6 (Sect. 4), para. 4.29).* The incumbent of the post would act as Deputy Chief of the Branch and secretary of conferences on multilateral disarmament agreements related to weapons of mass destruction, in addition to supervising and guiding work related to the implementation of recommendations on terrorism and the potential use of weapons of mass destruction in that regard. **The Advisory Committee recommends acceptance of this proposal.**

II.14 *One General Service post, Weapons of Mass Destruction Branch (ibid.).* The Advisory Committee was informed that the incumbent would provide support services in all aspects of the work related to the potential use of weapons of mass destruction in terrorist acts. **The Committee recommends approval of this post.**

II.15 *One P-3 for information technology matters, subprogramme 4 (ibid., para. 4.39).* The incumbent of the post would be responsible for the Department's web site. **The Advisory Committee does not believe that this is a full-time job — its functions should be assigned among the existing staff complement; accordingly, the Committee recommends against the establishment of this post.**

II.16 *One General Service post for information technology matters, subprogramme 4 (ibid.).* The incumbent of the post would serve as an information and systems assistant responsible for electronic hardware and software upgrading, troubleshooting and monitoring of applications developed by the Branch. **In view of its comments in chapter I above with regard to staff ratios, the Advisory Committee recommends against the establishment of this post; the need should be met through presently available staffing.**

II.17 *One D-1, Chief, Regional Branch, subprogramme 5 (ibid., para. 4.44).* The Committee notes that the Regional Branch has the following regular budget posts: one P-5, one P-2 and three General Service, and that the three regional centres are headed at the P-5 level, also funded from the regular budget. In addition, the regional centre for Latin America and the Caribbean has 23 extrabudgetary posts, the centre for Africa has 10 extrabudgetary posts and the centre for Asia and the Pacific has 1 extrabudgetary post. Those posts are funded from voluntary contributions earmarked for specific projects to be carried out within specific time frames. The Kathmandu regional centre continues to operate out of New York (see para. II.21 below). **Under the circumstances and pending the assessment called for in paragraph II.21 below, the Committee recommends that consideration of this post be deferred.**

II.18 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

II.19 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

Other comments and recommendations

II.20 The Advisory Committee recalls mentioning in paragraph II.28 of its report on the programme budget for 2002-2003[2] the upcoming inspection by the Office of Internal Oversight Services of programme management and administrative practices in the Department for Disarmament Affairs, which would include the regional centres. The Committee was informed that the recommendations of the Office of Internal Oversight Services (see A/56/817) were now under implementation.

II.21 As indicated in paragraph II.17 above, the three regional centres (at Lima, Lomé and Kathmandu) are headed at the P-5 level. The Advisory Committee further recalls that the regional centre for Asia and the Pacific was established by the General Assembly in its resolution 42/39 D of 30 November 1987. However, since its establishment, the regional centre in Kathmandu has been operating out of New York, and the UNDP office and United Nations information centre in Kathmandu provide logistical support for the annual meetings held there. The Committee referred to this issue in paragraph II.27 of its previous report.[2] The Committee was informed that the memorandum of understanding was still under negotiation. **In view of the time taken to complete the relocation process, the Committee requests that an assessment of the situation of the regional centre for Asia and the Pacific be carried out and that a report thereon be submitted to the Assembly at its fifty-ninth session, with a view to resolving this issue in such a way as to benefit the region, as originally envisaged by the Assembly.**

Section 5
Peacekeeping operations

Proposal submitted by the Secretary-General	$88,055,800
Revised appropriation for 2002-2003	$78,200,100
Projected extrabudgetary resources	$207,286,400

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

II.22 *Conversion to a regular budget post of a P-4 policy coordination officer post, subprogramme 4 (A/58/6 (Sect. 5), para. 5.41).* This post has to date been funded from the Voluntary Trust Fund for Assistance in Mine Action. **The Advisory Committee agrees with the proposal to fund this post under the regular budget since its functions relate to a core activity of the Department of Peacekeeping Operations.**

II.23 *Conversion to a regular budget post of a P-3 threat-monitoring officer post, subprogramme 4 (ibid.).* This post has also been funded from the Voluntary Trust Fund for Assistance in Mine Action. **The Advisory Committee recommends the conversion of this post for the same reason indicated above.**

II.24 *Inward redeployment of six posts from the Cartographic Section of the Department of Public Information, subprogramme 1 (ibid., para. 5.26).* These posts (1 P-5, 3 P-3, 1 P-2 and 1 General Service) have been in the Cartographic Section of the Department of Public Information (Sect. 28). The Advisory Committee recalls that the transfer was recommended in the report of the Secretary-General entitled "Strengthening of the United Nations: an agenda for further change" (A/57/387 and Corr.1, para. 64 (d)), and that the General Assembly, taking note of the proposal in its resolution 57/300, decided to consider it in the context of the proposed programme budget for 2004-2005. **The Committee agrees with this proposal because of the benefits that should accrue as a result of the physical relocation of the Cartographic Section to the Situation Centre in the Office of Operations, providing enhanced reporting capacity to the Security Council and troop-contributing countries and generating synergies between field operations and Headquarters.**

Recommendations on non-post resources

II.25 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11 above.**

United Nations Truce Supervision Organization

II.26 UNTSO provides support and assistance to the United Nations Disengagement Observer Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL) in the implementation of their mandates (A/58/6 (Sect. 5), para. 5.46).

II.27 The Advisory Committee notes, however, that a large part of the increase of $948,800 in the proposed resources for UNTSO relate to general operating expenses ($837,300) for the deployment of INMARSAT terminals and the distribution of cellphones to all observation posts as back-up communication equipment, and to the replacement of furniture and equipment ($324,500).

II.28 The Advisory Committee is of the opinion that collaboration between UNIFIL, UNDOF and UNTSO should be strengthened in a way that optimizes the use of support resources, including those related to equipment and supplies, provided to the three missions, with a view to obviating requests for large increases under the UNTSO budget.

II.29 **Under the circumstances, the Advisory Committee recommends a reduction in the UNTSO estimate of resources for 2004-2005 from $56,485,200 (after recosting) to $55 million (at 2004-2005 rates).**

II.30 The Advisory Committee recalls that it requested the Secretary-General to expedite the completion of the review of the Field Service category and to submit his comprehensive proposals in that regard to the General Assembly at its fifty-eighth session (A/57/772, para. 80; see also para. V.60 below).

United Nations Military Observer Group in India and Pakistan

II.31 Increases in the resources proposed for UNMOGIP are largely offset by a decrease of $280,200 (before recosting) due to the suspension of the Mission's aircraft operations. There are, however, increases of $54,300 (before recosting) under supplies and materials (estimate of $792,100) and $229,000 (before recosting) for furniture and equipment (estimate of $588,400). **For reasons similar to those**

expressed in paragraph II.7 above, the Advisory Committee recommends a reduction of $125,000 (before recosting), consisting of $25,000 under supplies and materials and $100,000 under furniture and equipment.

Other comments and recommendations

Presentation

II.32 The Advisory Committee examined the resources proposed for the support account for peacekeeping operations for the period from 1 July 2003 to 30 June 2004 (A/57/732) and made its comments and observations in that regard in its related report (A/57/776). The Committee notes that the regular budget resources proposed under section 5 for the Department of Peacekeeping Operations ($17,048,800 after recosting) account for no more than 6 per cent of the total resources shown for this section ($295,342,200). The Committee made extensive comments in the context of the estimates for the support account on such issues as results-based-budgeting techniques and related elements, training, information technology and so on (see A/57/772 and A/57/776). Moreover, those comments were made in connection with the same subprogrammes and organizational units that are set out in section 5. **Since the management of the subprogrammes of the support account is the same as that of section 5, the Committee sees no useful purpose in the presentation of two sets of results-based-budget formats as if they related to two separate management structures.**

II.33 **Accordingly, the Advisory Committee recommends that the support account presentation, in future, form the basis to justify resources for the Department of Peacekeeping Operations under the regular budget. In section 5, resources should be justified in terms of the support required to implement the objectives and attain the expected accomplishments using the indicators of achievement set out in the support account budget (see also the comments in part IV below on the presentation in resource-based-budgeting format of sections where there is a relatively small regular budget component to a programme largely funded from extrabudgetary resources). This recommendation, however, should not apply to those estimates not covered under the support account, such as those related to UNTSO or UNMOGIP.**

II.34 The Advisory Committee notes that the narratives for the two peacekeeping missions funded from the regular budget (UNTSO and UNMOGIP) are presented in the results-based-budgeting format for the first time. **The comments and observations of the Committee, as contained in its general report on peacekeeping operations (A/57/772) and its report on the support account for peacekeeping operations (A/57/776), should be taken into consideration as appropriate.**

II.35 The Advisory Committee notes that a new subprogramme 4, Mine action coordination, has been added in accordance with the revised medium-term plan for 2002-2005,[9] as approved by the General Assembly in its resolution 57/282 of 20 December 2002. The Committee notes that this is a key area for which the resources, their use and collaboration and cooperation among all partners has hitherto lacked transparency. **The Committee intends to examine this issue in the context of the proposals for the support account for 2004/05.**

---

[9] Ibid., *Fifty-seventh Session, Supplement No. 6* (A/57/6/Rev.1).

Progress in the implementation of the field assets control system

II.36 The Advisory Committee considered the report of the Secretary-General on the progress made in implementing the field assets control system (A/57/765). The report outlines the progress achieved since the issuance of the previous report (A/55/845), indicating that, in view of the requirements requested by users and the advantage of technological innovations, the field assets control system would be phased out by mid-2004 and replaced by an upgraded one, Galileo. Galileo, while incorporating elements of the field assets control system, will also include additional data-management, analysis and reporting tools that should allow the provision of more effective, reliable and timely information management, data exchange and reporting.

II.37 In response to the Advisory Committee's request (A/56/887, para. 62), the Committee was informed that the Galileo system integrated with the Mercury procurement system and the Integrated Management Information System. It is scheduled to be implemented at the United Nations Logistics Base at Brindisi, Italy, in July 2003, at United Nations Headquarters in August 2003 and subsequently at all missions between September 2003 and March 2004. **The Committee requests that information in this regard be presented in the context of the support account budget for the period 2004/05.**

Measures that would better streamline the policy guidelines related to the temporary duty assignment of staff in peacekeeping missions

II.38 The Advisory Committee considered the report of the Secretary-General on measures that would better streamline the policy guidelines related to the temporary duty assignment of staff in peacekeeping missions (A/57/787), submitted in accordance with General Assembly decision 56/471 of 27 June 2002. **The Committee takes notes of the progress that has been achieved so far. However, the Committee requests further review of the matter mentioned in paragraphs 6 and 7 of the report, namely that if a staff member is offered and opts for an extension of mission assignment beyond two years, based on operational requirements, he or she may lose the lien on his or her post at the parent duty station or the right of return. The Committee understands the link with the lien on the post, yet it is of the opinion that the matter regarding the loss of the post or the right of return should be further analysed and refined.**

Section 6

Peaceful uses of outer space

Proposal submitted by the Secretary-General	$4,807,100
Revised appropriation for 2002-2003	$4,315,300
Projected extrabudgetary resources	$700,000

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

II.39 **The Advisory Committee is of the opinion that the number, frequency, venues and duration of the meetings of intergovernmental and expert bodies, as well as of committees and subcommittees, related to this programme should be reviewed from time to time.**

Part III
International justice and law

Section 7
International Court of Justice

Proposal submitted by the Secretary-General	$28,668,600
Revised appropriation for 2002-2003	$26,315,900

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget.

Recommendations on posts

New posts

III.1 *One P-4, Chief, Computer Service (A/58/6 (Sect. 7), para. 7.12).* This post is to strengthen the computerization operation. **The Advisory Committee recommends against the establishment of this post for the time being, pending the completion of the comprehensive independent study requested by the Committee in paragraph III.23 below.**

III.2 *Two General Service (Other level) security guards (ibid.).* These posts are sought so as to strengthen security of the Court, as recommended by the Office of the United Nations Security Coordinator. The Advisory Committee was informed that the security guards would serve in the new wing of the Peace Palace, which is separate from the Peace Palace proper, where the Carnegie Foundation has security guards. The Committee was also informed that the costs related to the security guards being requested are not included in the rental paid to the Foundation. **For these reasons, the Committee recommends that the two posts for security guards be established.**

Conversion

III.3 *Conversion from general temporary assistance to established status of five P-2 judicial clerks (ibid.).* The conversions are requested in view of the permanent nature of the functions. **The Advisory Committee recommends acceptance of the conversions, as they would provide the Court with an enhanced permanent capacity for legal assistance.**

III.4 *Conversion from temporary to established status of two General Service (Other level) administrative assistants, Linguistic Department and Information Department (ibid., table 7.3).* According to the supplementary information provided to the Advisory Committee, the request is due to the permanent nature of the functions of the incumbents. **In view of the study requested in paragraph III.23**

below and taking into account its recommendation with respect to ad hoc judges (para. III.16), the Committee does not recommend the conversion of these administrative posts.

III.5 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

III.6 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, general operating expenses, furniture and equipment, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

Travel

III.7 With regard to travel of the members of the Court, the Advisory Committee recalls that during its consideration of the report of the Secretary-General on the standards of accommodation for air travel (A/57/485), it was informed that one judge had travelled first class three times in one year, incurring expenditure of $38,567. Under Article 32, paragraph 7, of the Statute of the International Court of Justice, the General Assembly fixes the conditions under which members of the Court and the Registrar shall have their travelling expenses refunded. By its resolution 37/240 of 21 December 1982, the Assembly approved the Travel and Subsistence Regulations of the International Court of Justice, which provide for first-class travel for the judges.

III.8 The Advisory Committee recalls that under General Assembly resolution 42/214 of 21 December 1987, only the Secretary-General and the heads of delegations of the least developed countries travelling to the regular and special session of the Assembly are entitled to travel first class. In all other cases, the Secretary-General is authorized to exercise his discretion to allow first-class travel for a variety of reasons (e.g., medical conditions, arduous journeys) on a case-by-case basis. Travel of high-level United Nations officials and judges of the International Tribunals is provided at the class immediately below first class (i.e., business/executive class). **Under the circumstances, the Assembly may wish to decide that travel of the judges of the International Court of Justice should be at the class immediately below first class and amend the travel regulations of the Court accordingly. Any such amendment should also authorize discretion to allow first-class travel by the judges on a case-by-case basis and provide for an appropriate reporting mechanism.**

III.9 In connection with travel of staff, the Advisory Committee notes from the supplementary information provided to it that the amount of $97,400 (before recosting) represents an increase of $21,500, or 28.3 per cent, when compared with the revised appropriation of $75,900 for 2002-2003. The funds provide for travel to sessions of the General Assembly and travel of Registry staff for other official business of the Court, including inter-agency meetings on translation and publication and the annual meeting of United Nations Communications Group. **The Committee, taking into account its comments in chapter I above, recommends an amount of $80,000 at 2004-2005 rates.**

Other comments and recommendations

Presentation

III.10 With regard to results-based budgeting, the Advisory Committee notes from paragraph 7.5 of the proposed programme budget the Court's conclusion that this budgetary methodology was not appropriate for its activity. In this connection, the Committee recalls its observation in paragraph III.17 of its previous report[2] that because the Court's submission was not part of the medium-term plan, results-based budgeting had not been applied. The Committee nevertheless indicated that, in future, the Court's estimates should be justified more clearly in terms of workload.

III.11 The Advisory Committee welcomes the information on workload included in the annex to the proposed programme budget of the Court. **The Committee is of the opinion that, in future, requests for resources should be based on an analysis of the workload. For example, if additional resources are requested for legal support or for the typing pool, the capacity available in those areas should be evaluated in terms of the workload indicated in the proposed budget to ascertain the extent to which such capacity has been exhausted and, as a consequence, additional resources would be warranted. The submission of raw data to the Committee without this management analysis does not in and of itself provide sufficient justification for additional resources.**

III.12 **Furthermore, the Advisory Committee is of the view that, without in any way infringing upon the Statute of the Court or compromising the role of the judicial function of the Court, elements of results-based-budgeting techniques could be introduced to the non-judicial function of the Registry so that the oversight performed by the judges could be strengthened, as well as the accountability of the Registry to the President regarding the management of the Registry.**

Other matters

III.13 The Advisory Committee was informed that the number of ad hoc judges designated under Article 31* of the Statute of the Court had increased from 10 in 1997 to 27 in 2001 and 23 in 2002; 37 were projected for 2003.

III.14 In November 2002, the concurrence of the Advisory Committee was requested in commitments not exceeding $64,000 to cover expenses of ad hoc judges in 2002. This request was made because the total of $330,000 specified in paragraph 1 (b) (i) of General Assembly resolution 56/256 of 24 December 2001 had been committed in 2002 up to a total of $329,200. The reply of the Committee appears in annex XI.

III.15 Upon request for further clarification, the Advisory Committee was informed that the practice had been that the commitment authorized by the General Assembly was used only for salaries and travel for ad hoc judges and not for general or legal support services. The Committee notes that the Assembly, in resolution 56/256, requires the President of the Court to certify that the commitment sought relates to expenses occasioned by the designation of ad hoc judges.

III.16 **In the opinion of the Advisory Committee, such commitments as are entered into up to the limit set by the General Assembly should also cover support for ad hoc judges. Under the circumstances, the Committee would not expect the Registry to request, in the context of future budget proposals of the Court, the establishment of additional posts or increases for non-post resources on the basis of increased workload to support ad hoc judges.** The Committee has taken this into account in its recommendations on the request for additional posts for the Registry.

III.17 Upon enquiry the Advisory Committee was informed that in 2002 the Court had adopted a number of measures to speed up its proceedings. It decided to limit written pleadings by applicants and respondents and to rigorously apply article 60 of its Rules on oral proceedings to shorten their length. Pursuant to article 61, the Court requested the parties to be focused in their pleadings before it. The Committee was informed that the Court had requested its Rules Committee to evaluate the effects of those measures. The Committee was also informed that the Registry had recently adopted certain measures aimed at providing assistance to the judges in their work, enabling them to get a better overview of cases and facilitating the deliberation and drafting of notes, judgments and orders. Research carried out by the clerks has played an important role in that context.

III.18 **The Advisory Committee commends the Court for these measures and trusts that the results of the evaluation will lead to the adoption of more measures to strengthen the role played by the judges in managing and controlling courtroom proceedings. The Committee recognizes, that unlike in most courts, the parties before the International Court of Justice are either sovereign States or international institutions that appear by mutual consent. Nevertheless, since the parties choose the services of the Court, it can be assumed that they would welcome greater courtroom efficiency. To this end, the Committee trusts that the Court will also look into instituting appropriate pre-hearing steps that could complement measures already implemented and contribute to reducing paperwork, shortening court proceedings and giving judges more time for reflection and drafting of cases.**

Implementation of the recommendations of the Committee

III.19 In connection with remote translation, the Advisory Committee recalls its recommendation in paragraph III.10 of its previous report[2] that the Court should explore the extent to which new technology could be used in that area. The Committee notes the reply of the Court that it does not feel that remote translation can be of assistance to the Registry. The Court has classified potential problems under three headings: (a) speed/availability; (b) quality; and (c) confidentiality (A/58/6 (Sect. 7), table 7.7). **Inasmuch as the Court already utilizes freelance translators, the Committee believes that the first two problems are not insurmountable, as evidence throughout the United Nations system suggests. Further, the competence of United Nations translators is not an issue. The Court's explanation on the third problem could give the impression that every translation, in its entirety, required a high degree of confidentiality. The Committee is of the view that remote translation can be utilized for non-**

confidential material. Thus, in order to optimize resources, the Committee recommends that, in addition to current methods of translation, remote translation be utilized where feasible.

III.20 The Advisory Committee was informed that the Court intended to install a digital audio recording system during the biennium 2004-2005, as recommended by the Committee in paragraph III.10 of its report[2] (see also A/58/6 (Sect. 7), table 7.7). The system would considerably improve the services provided by verbatim reporters and translators of verbatim records and would increase productivity and save staff costs compared with the practice of making recordings, which are manually carried by staff to the typing pool. Language staff would receive recordings from the meeting location directly. The Committee would expect future staffing requests to reflect the resulting productivity gains.

III.21 The Advisory Committee recalls that the Joint Inspection Unit recommended that the Court seriously consider the introduction of a performance appraisal system (A/55/834, para. 85). The General Assembly, in its resolution 55/257 of 14 June 2001, invited the Court to review the need to amend its own staff rules to enable the introduction and implementation of such a system. Upon enquiry, the Committee was informed by the Registrar that a system of personnel appraisal would be implemented as from January 2004.

III.22 **The Advisory Committee, in paragraph III.10 of its previous report,[2] requested an expert study on how to modernize the proceedings and workflow processes of the Court. Despite the information contained in table 7.7 of the proposed programme budget, supplemented by testimony of the Registrar, the Committee has concluded that the comprehensive study envisaged by it has not been undertaken. What the budget proposal and the testimony indicates is a piecemeal approach that does not appear to address in an integrated and comprehensive manner the needs of the Court as regards information management and the related information technology systems, infrastructure and equipment.**

III.23 **The Advisory Committee reiterates its request for a comprehensive, expert external study as cited above. The study should examine how the management of the Court, its administrative procedures and practices and workflow could be further streamlined using appropriate modern management information systems. The workflow processes study should cover information and communication technology, conference services, interpretation, translation, publication, printing and distribution. Efficiencies accrued from such streamlining should be used to strengthen the Court's information and communication technology. The Committee was informed that the Computer Division had three General Service staff. The establishment of an ICT service for the Court should be part of the terms of reference for the study requested by the Committee.**

Section 8
Legal affairs

Proposal submitted by the Secretary-General	$37,900,300
Revised appropriation for 2002-2003	$35,754,500
Projected extrabudgetary resources	$5,626,300

A summary of the proposals of the Secretary-General for the regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

New posts

III.24 *One P-2, general legal services (A/58/6 (Sect. 8), para. 8.36).* **For the reasons given in the proposed programme budget, the Advisory Committee recommends the establishment of the P-2 post in the General Legal Division.**

III.25 *One D-2, Director, Trade Law Branch (ibid., para. 8.48).* The Branch is to be upgraded to a Division, headed by a D-2. The purpose of the request is to strengthen the United Nations Commission on International Trade Law (UNCITRAL) in accordance with a decision of the United Nations Commission on International Trade Law, as endorsed by the General Assembly in its resolution 56/79 of 12 December 2001. In addition, the Committee was informed that the additional resources would strengthen the capacity of the Division to provide legislative assistance to Member States, especially developing countries, in the use of UNCITRAL legal texts. **The General Assembly, in its resolution 56/79, as well as in its resolution 57/19 of 19 November 2002, stated that the strengthening of the secretariat of the Commission should be accomplished "within the bounds of the resources available". The Committee is not convinced that the proposal to create a Division headed by a director at the D-2 level meets that criterion. Accordingly, the Committee does not recommend acceptance of the D-2 post (see also paras. 80-83 above).**

III.26 *One P-5, Trade Law Branch (ibid.).* This post is requested in order to strengthen the secretariat of the Commission in accordance with General Assembly resolution 56/79. **The Advisory Committee recommends approval of the post.**

III.27 *One P-2, Trade Law Branch (ibid.).* This post is requested in order to strengthen the secretariat of the Commission in accordance with General Assembly resolution 56/79. **The Advisory Committee recommends approval of the post.**

III.28 *One General Service (Other level) post, Trade Law Branch (ibid.).* This post is requested in order to strengthen the secretariat of the Commission in accordance with General Assembly resolution 56/79. **In view of its comments in chapter I above with regard to staff ratios, the Advisory Committee recommends that the need for this post be met through redeployment.**

Transfer

III.29 *Transfer of one P-5 and two General Service posts of the secretariat of the Sixth Committee to Section 2, General Assembly affairs and conference services (ibid., para. 8.10).* The Advisory Committee was informed that since the General Assembly had not yet taken a decision on the matter, the transfer had not yet taken place.

III.30 Upon enquiry, the Advisory Committee was informed by the Legal Counsel that the incumbents of those posts performed substantive work in addition to coordinating with the Department for General Assembly and Conference Management in scheduling the work of the Sixth Committee. The Legal Counsel explained that it was not always easy to separate the technical from the substantive work performed by the secretariat. He also emphasized that the effect of the transfer on the substantive work, including the future need for additional staff resources, could not be determined immediately. **In this connection, the Committee is of the view that sound technical advice from the secretariat must be available to the Sixth Committee. Effective knowledge of the substance about which that technical advice is being sought is therefore essential. Further comments of the Committee on this matter appear in section 2 above.**

III.31 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

III.32 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance, training, travel, general operating expenses, furniture and equipment, publications and information and communication technology is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Advisory Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

III.33 In connection with travel, the Advisory Committee notes from the supplemental information provided to it that the amount of $901,600 (before recosting) is proposed for 2004-2005, representing an increase of $108,100, or 13.6 per cent, compared with the revised appropriation of $793,500 for 2002-2003. **For the reasons given in paragraphs 97 to 99 above, the Committee recommends that the amount of $793,500 (before recosting) be maintained for travel for 2004-2005.**

Other comments and recommendations

Presentation

III.34 The Advisory Committee commends the Office of Legal Affairs for the quality of the presentation of its proposed budget in terms of the use of results-based-budgeting techniques. The Committee welcomes the reduction of publications by 128 (see ibid., table 8.2) and the discontinuation of the outputs shown in the annex. The Committee observes, however, that the bulk of those outputs consist of meetings of bodies that have concluded their work. **In future, information should be given on outputs that are discontinued as a result of an analysis of their continued relevance.**

Other matters

III.35 **With regard to the United Nations Administrative Tribunal, in future, the Advisory Committee expects more information on the workload of the Tribunal and the adequacy or inadequacy of the resources and support provided. In this connection, the Committee recalls the provisions of paragraph 5 of General Assembly resolution 57/307 of 15 April 2003, in which it requested the Secretary-General to take steps to ensure the independence of the United Nations Administrative Tribunal and the separation of its secretariat from the Office of Legal Affairs, and to study the possibility of its financial independence.**

III.36 The Advisory Committee was informed that as at 19 June 2003 there was a backlog of 102 treaties to be published in the *United Nations Treaty Series* and that by the end of 2003 a target of 23 volumes was projected. **The Committee welcomes the progress made to eliminate the backlog in the publication of treaties and, in this connection, the Committee commends the leadership provided by the Legal Counsel.**

III.37 The Advisory Committee was informed that as at 19 June 2003, 915 requests for translation of treaties submitted by the Office of Legal Affairs were pending. **The Committee expresses concern that the commendable work accomplished by the Office of Legal Affairs not be compromised by a lack of translation capacity in the Department for General Assembly and Conference Management. The Committee notes that an amount of $300,000 has been estimated for the translation and production of the *Treaty Series* for 2004-2005 (A/58/6 (Sect. 2, para. 238).**

III.38 The Advisory Committee notes that the *Repertory of Practice of United Nations Organs* will no longer be produced and that a provision of $2.2 million for general temporary assistance distributed across the relevant budget sections has been eliminated from the budget proposals for 2004-2005 (ibid., Introduction, para. 44). **The Committee is of the view that action should be taken on this proposal by the competent intergovernmental bodies and that a statement of programme budget implications should be prepared.**

Part IV
International cooperation for development

Section 9
Economic and social affairs

Proposal submitted by the Secretary-General	$136,462,300
Revised appropriation for 2002-2003	$123,652,200
Projected extrabudgetary resources	$107,293,400

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

IV.1 *One Assistant Secretary-General, Development Policy Analysis and Information, executive direction and management (A/58/6 (Sect. 9), para. 9.63).* The Advisory Committee was informed that a post at this level had been eliminated at the time of the reorganization of the Department of Economic and Social Affairs. The current staffing table provides for two posts at the Assistant Secretary-General level. **In view of the recent appointment of a new Under-Secretary-General for Economic and Social Affairs and taking into account the opportunity available for review, including the disposition of senior management posts, the Committee recommends that consideration of the establishment of this post be deferred.**

IV.2 *One P-5 to support the Head of Development Policy Analysis and Information (ibid.).* **In view of its relationship to the post above, the Advisory Committee recommends that consideration of the establishment of this post also be deferred.**

IV.3 *One P-5, senior non-governmental organization (NGO) officer (ibid., para. 9.67).* The new post is proposed under subprogramme 1, Economic and Social Council support and coordination. The Advisory Committee notes that 46 posts are currently available, including 26 Professional posts. The Committee was informed that the backlog in processing applications and handling quadrennial reports related to NGO activities was carried out by staff in the Office for Economic and Social Council Support and Coordination, in addition to other tasks. **The Committee questions the rationale for requesting a P-5 post for the above-mentioned tasks and recommends that effective steps be taken to streamline the workflow and processes in this regard, including the use of appropriate automation. The Committee also recommends that non-staff resources be used to address the backlog rather than establishing a permanent P-5 post. The Committee recommends against the establishment of the post.**

IV.4 *One P-3, secretariat, Permanent Forum on Indigenous Issues, subprogramme 3, Social policy and development (ibid., para. 9.82).* The Advisory Committee recalls that the proposal to establish this post was reviewed by the Committee and the General Assembly in the context of the related programme budget implications submitted by the Secretary-General (see A/C.5/57/26 and A/57/7/Add.19). **The Committee therefore recommends acceptance of the post. At the same time, the Committee reiterates the need to clarify the role of the Department of Economic and Social Affairs and the Office of the United Nations High Commissioner for Human Rights with regard to indigenous issues (see A/57/7/Add.19, para. 5).**

IV.5 *One P-2, secretariat, Permanent Forum on Indigenous Issues, subprogramme 3 (ibid.).* **For the same reasons and subject to the comments in paragraph IV.4 above, the Committee recommends acceptance of this post.**

IV.6 *One General Service (Other level) post, secretariat, Permanent Forum on Indigenous Issues (ibid.).* **In view of the high number of General Service staff currently available (see para. IV.15 below) and the comments in paragraph IV.4 above, the Committee recommends that this post be provided through redeployment.**

IV.7 *One P-5, Chief, Migration Section, Population Division, subprogramme 6, Population (ibid., para. 9.95).* The Advisory Committee notes that the current Mortality and Migration Section would be split into two distinct sections, each with P-5, P-4 and P-3 posts, as compared with the current section, which has one P-5, two P-4 and one P-3 post. **The Committee is convinced neither by the rationale for the split nor by the fact that such a split should lead to a request for an additional P-5 post (see also paras. 80-83 above). The Committee sees no reason why the six posts could not be accommodated in the section. Moreover, the Population Division has already been involved in the activities related to these posts, and no adequate evidence has been provided as to an increase in workload. Accordingly, the Committee recommends that the need be addressed through redeployment.**

IV.8 *One P-3, population affairs officer, Population Division (ibid.).* According to additional information provided to the Advisory Committee, the functions of the proposed post would include the preparation of technical studies and research reports, the development and maintenance of databases on international migration and the provision of support to intergovernmental processes. The Committee was also informed that some of the functions to be performed by the new unit on migration would relate to internal migration and urbanization, which would appear to duplicate work carried out by the United Nations Human Settlements Programme (UN-Habitat) and other entities. **Under the circumstances, the Committee does not recommend the establishment of this post.**

IV.9 *One P-5, Chief of Section, for follow-up to the Monterrey Consensus, subprogramme 10, Financing for development (ibid., para. 9.117).* In its resolution 57/273 of 20 December 2002 on ensuring effective secretariat support for sustained follow-up to the outcome of the International Conference on Financing for Development, the General Assembly decided that the provisions of the resolution should be implemented by utilizing existing resources, starting in 2003 (see A/57/7/Add.24). The Secretary-General, in order to optimize the use of existing resources, proposed the establishment of 6 additional posts (1 D-2, 1 P-5, 1 P-4, 1 P-3, 2 General Service), besides the redeployment of 13 posts within the Department (see A/C.5/57/32). Only the D-2 post was requested during 2002-2003 and approved by the Assembly, while it was indicated that the other post and non-post resources would be met through ad hoc interim measures and residual extrabudgetary resources. The additional resources would be submitted in the context of the proposed programme budget for 2004-2005. **In view of the priority accorded by the Assembly to the tasks related to the follow-up to the Monterrey Consensus adopted by the International Conference on Financing for Development, the Committee has no objection to the establishment of this post.**

IV.10 *One P-4, focal point for engagement in the financing for development follow-up process of Governments (ibid.).* **The Advisory Committee recommends acceptance of the post for the reasons cited in paragraph IV.9 above.**

IV.11 *One P-3, focal point for building partnerships with civil society and the private sector for the financing for development process (ibid.).* **The Advisory Committee recommends acceptance of the post for the reasons cited in paragraph IV.9 above.**

IV.12 *Two General Service (Other level) posts to provide technical support in connection with the web site and online databases as well as secretarial support (ibid.).* **In view of the high number of General Service staff currently available (see para. IV.15 below), the Advisory Committee recommends that this requirement be provided through redeployment.**

IV.13 *Reclassification of a General Service (Other level) post to the Principal level in the Office of the Director, Division for the Advancement of Women (ibid., para. 9.73).* **The Advisory Committee recommends against the acceptance of this reclassification since there are already 15 General Service (Other level) regular budget posts under subprogramme 2, Gender issues and advancement of women, as well as 3 extrabudgetary posts, including 1 at the Principal level.**

IV.14 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

IV.15 The Advisory Committee notes that the post requirements shown in table 9.5 of the proposed programme budget, with a proposed total of 546 regular budget posts, reflect a ratio of approximately 1.4 Professionals to 1 General Service post. The Committee requested a sample functional distribution of posts for subprogramme 3, which proposes a total of 61 regular and extrabudgetary posts (39 Professional and 22 General Service). The Committee noted that the support ratio for that subprogramme was approximately 1.8 Professionals to 1 General Service post. The Committee therefore concludes that the number of General Service staff for this subprogramme is larger than warranted, given the information technology capacity provided to the Professional establishment of the Organization. **On this basis, the Committee also concludes that the support provided in section 9 by General Service staff needs to be reviewed and streamlined, particularly in view of the amounts provided for communication and information technology, which, as argued, should lead to observable benefits, efficiencies and economies in the support functions of the Organization.**

IV.16 The Advisory Committee also noted the total of 74 redeployments described under the narratives of the subprogrammes of this section. The Committee welcomes redeployments, as they obviate the need for new posts. However, management should always give clear reasons for the redeployment of staff resources instead of simply declaring the movement of staff (see also para. 36 above).

IV.17 In examining the estimates presented by the Department of Economic and Social Affairs and those of the United Nations Conference on Trade and Development (UNCTAD) (see paras. IV.45-IV.58 below), the Advisory Committee was aware of the potential for both complementarity and overlap in the functions of the two bodies and the regional commissions. The Committee trusts that the new Under-Secretary-General for Economic and Social Affairs will consider these issues when reviewing the senior staff, as suggested in paragraph IV.1 above.

IV.18 The Advisory Committee enquired about the steps taken to implement the provisions of paragraph 13 of General Assembly resolution 57/262 of 20 December 2002, in which it requested the Secretary-General to strengthen the Small Island Developing States Unit, including through the regularization of the current post of the Interregional Adviser for Small Island Developing States.

IV.19 The Advisory Committee was informed that a qualified expert from a small island developing State had been identified to fill the position of Chief of the Small Island Developing States Unit, that a P-2 post had been deployed to strengthen the Unit and that two extrabudgetary posts, funded from trust funds, would work on the Small Island Developing States Information Network (SIDSnet). Furthermore, the Committee was informed that the Department had concluded that the functions performed by the interregional adviser for Small Island Developing States were more appropriately provided through a trust fund arrangement with prospective donors, from extrabudgetary resources, as it is currently done.

Recommendations on non-post resources

IV.20 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

Consultants

IV.21 The Advisory Committee, in paragraph IV.13 of its first report on the proposed programme budget for the biennium 2001-2002,[2] has pointed to the tendency to request consultancy funds and resources under other staff costs to supplement existing staff resources without adequate justification. Information provided to the Committee, upon request, regarding the resources provided for 2002-2003 under experts and consultants, showed differences between the descriptions of what had been requested and what had been utilized. The Committee was informed that the changes reflected the need to take into account the evolving nature of the programme of work as a result of new mandates or changing priorities. **This calls into question the basis of the explanations given when the funds were initially requested.**

IV.22 **Accordingly, the Advisory Committee recommends the following reductions under consultants and experts (all before recosting):**

(a) **Under subprogramme 1, an amount of $38,200 is requested to prepare Executive Committee papers on common strategic policy issues and/or to support the Committee's work on publications in advancing the Millennium Development Goals. The Advisory Committee is of the opinion that such papers should be prepared in-house;**

(b) **Under subprogramme 2, the Committee is of the opinion that some of the items proposed for consultants and experts should be routine work for the 28 Professional staff on board, namely, the preparation of briefing notes on gender perspectives in five sector areas covered by the United Nations Secretariat, for which an amount of $11,500 is requested. Moreover, some items seem to be duplicative, such as the survey on causes of the slow progress in the representation of women ($11,500) and the study on special measures to improve the representation of women ($67,000). The Committee believes the studies should be combined and the resources of $78,500 absorbed.**

Contractual services

IV.23 Under subprogramme 1, an increase of $39,700 (before recosting) is proposed under contractual services to cover the costs of producing publications as well as outreach and the provision of support to meetings under the programme of work. The Advisory Committee notes that while the publications programme has decreased, most contractual services under this section are for external printing and publications (see para. IV.35 below). **Since the additional information provided to the Committee did not adequately justify the increase, the Committee recommends against the increase in subprogramme 1.**

Information technology

IV.24 The total resources proposed for 2004-2005 under section 9 for information technology are estimated at $6,598,900 (before recosting). The Advisory Committee was informed that the amount of the 2002-2003 reduction in information technology resources proposed to be restored was $480,600 (before recosting), while resources related to expansion amounted to $113,800 (see also paras. 108-113 above).

IV.25 Paragraphs 9.23 (d) and 9.123 of the proposed programme budget refer to the support and further development of the Integrated Monitoring and Documentation Information System. The Advisory Committee, in paragraphs 14, 93 and IV.35 of its first report on the proposed programme budget for 2002-2003,[2] has indicated the need to enhance the monitoring of data for implementation performance and to link the various systems of the Secretariat, such as IMDIS, the Budget Information System and IMIS. In this connection, the Committee notes the information provided in table 9.36 of the proposed programme budget (see also paras. 10-13 above).

IV.26 The representatives of the Secretary-General informed the Advisory Committee, upon enquiry, that the Department of Economic and Social Affairs could prepare a programme performance report for the Department on the basis of experience during the first year of the biennium. However, IMDIS and BIS were not structured to provide information on the cost of outputs or able yet to generate data on expected accomplishments, indicators of achievement and performance measures.

The information available would include data on the number of publications or reports prepared and the number of meetings held as compared with those budgeted under the various subprogrammes.

IV.27 **In Chapter I above, the Advisory Committee has pointed to the need to develop an effective mechanism to monitor, evaluate and measure the results and impact of the programmes and activities of the United Nations, and has called for the development of a single report that would cover both programme and financial performance for the same period (see para. 18 above).**

Travel of staff

IV.28 The requirements under travel of staff for 2004-2005 are estimated at $2,170,300 (before recosting), reflecting an increase of $74,800 over the appropriation for 2002-2003. In some cases, a portion of those resources are cited for data gathering and research, such as under subprogramme 3. **Under subprogramme 1, an amount of $48,000 (before recosting) is included for field assessment missions on the implementation of policy directives and the evaluation of technical cooperation activities. This exemplifies the comments in paragraph 98 above that the source of travel funding is often interchangeable between regular budget and extrabudgetary resources. The Advisory Committee is of the opinion that it would be better to change staff travel to the extrabudgetary provision concerned. Moreover, in view of the streamlining taking place and the availability of new technology to communicate and gather data, travel resources for section 9 should be maintained at $2,095,500; this would involve a reduction of $74,800 (before recosting).**

Presentation

IV.29 The Advisory Committee appreciates the efforts made to improve the results-based-budgeting techniques and presentations for section 9 and makes the following comments with a view to encouraging further improvement. First, as indicated in chapter I, the Committee is of the opinion that the weakness in the content, nature and format of the objectives, expected accomplishments and indicators of achievement is, in large part, related to the quality of the medium-term plan. In some cases, such as under subprogramme 1, the objective set out in table 9.10, which is reproduced verbatim from the medium-term plan,[9] is lengthy and convoluted, thus making it difficult to verify implementation. In another case, such as under subprogramme 3, the objective set out in table 9.14, which is also derived from the medium-term plan, constitutes an amalgam of different objectives covering poverty, ageing, disability, youth and indigenous issues.

IV.30 The Advisory Committee points out, however, that generic descriptions of expected accomplishments, such as "more effective implementation" (table 9.14 (a)), "improved ability of Member States" (table 9.14 (b)) and "increased awareness" (table 9.14 (c)) do not communicate anything concrete and measurable, thus rendering follow-up difficult or almost impossible. **The Committee is of the opinion that there is a need to identify instead what is going to be effectively implemented from the Millennium Declaration and the Copenhagen Declaration on Social Development during the budget period in question (since expected accomplishments are specific to each biennium). The results of this**

identification should be distilled into a concrete list of measurable expected accomplishments.

IV.31 Similarly, the indicators of achievement are not quantifiable or measurable. As indicated in paragraph 23 above, statistics on the delivery of statements by delegations do not in and of themselves indicate the extent to which the Secretariat, through the use of approved budgetary resources, has facilitated positive, quantifiable and verifiable change. **As such, the indicators of achievement should be specifically tied to that which is being implemented pursuant to the programmes of action and declarations.**

IV.32 For example, in table 9.10, indicator of achievement (a) (ii) refers to "closer collaboration" among the actors in the economic and social arena, including the United Nations principal organs, the Bretton Woods institutions and the United Nations funds and programmes. The performance measures consists of the estimated or targeted number of meetings. The Advisory Committee, in paragraph V.39 of its previous report,[2] has questioned the value of listing the number of recommendations adopted by intergovernmental bodies as indicators of achievement. **In this connection, the Committee believes that there is a need to define more clearly, in the context of the medium-term plan, what is expected from "closer collaboration" and how the results of that collaboration are measured.** The number of meetings held by participants does not constitute a measure of collaboration. Collaboration achieves such things as joint work, work-sharing, joint financing arrangements and joint project implementation — an example would be the use by the Bretton Woods institutions of the research capacity of the United Nations in the area of population statistics for their work and their funding of some of that research. This would constitute the sort of collaboration one could invoke as an expected accomplishment.

IV.33 As another example, the same problem arises with the use of "satisfaction expressed by Member States" with regard to the contributions of a programme as an indicator of achievement or of "percentage of statements made" in reference to new laws and policies or statements made by funds and programmes as performance measures (table 9.14). It should be specified whether these laws and policies are the ones called for in the declarations. Furthermore, the Committee seriously questions the use of "full utilization of resources" as an indicator of achievement (see, for example, table 9.7 (a) (iii)), since it does not relate to efficiency or effectiveness.

IV.34 **Although the Advisory Committee recognizes that progress has been made, it cautions that, unless further progress is achieved in being more specific and using more objective criteria, it will become extremely difficult to collect useful and meaningful data to measure and evaluate the results achieved.**

IV.35 Table 9.2 indicates that the number of publications under this section will decrease from 433 in 2002-2003 to 343 in 2004-2005. The Advisory Committee was also informed that 44 per cent of the publications were available online. In paragraph IV.31 of its previous report,[2] the Committee stressed the need for and importance of a rigorous examination of the Department's publications programme by intergovernmental bodies. In this connection, the annex to section 9 indicates that 124 outputs are to be discontinued in 2004-2005. The Committee was further informed that the programme of work of five subprogrammes had been reviewed by their respective specialized reviewing body or functional commission in the first half of 2003. **The Committee encourages the regular review of publications by intergovernmental bodies. Furthermore, information provided in future should include the role of the intergovernmental machinery and the number of reports and publications prepared for them (see also paras. 100-105 above).**

Section 10
Least developed countries, landlocked developing countries and small island developing States

Proposal submitted by the Secretary-General	$4,223,100
Revised appropriation for 2002-2003	$3,099,500
Projected extrabudgetary resources	$15,100

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

IV.36 *One D-1 and one General Service for Policy Development, Coordination, Monitoring and Reporting Unit (A/58/6 (Sect. 10), para. 10.16).* **For the reasons stated in paragraph 10.10 of the proposed programme budget and bearing in mind that these posts are to perform core functions of the Office of the High Representative, the Advisory Committee recommends acceptance of the proposal.**

IV.37 **The Advisory Committee notes that the number and grade level of the posts in this section are the result of the combination of two organizational units (see A/56/716, paras. 5-6). The Committee trusts that efforts will be made in future to move towards a more pyramid-like structure, especially at the P-3 and P-2 levels.**

Other comments and recommendations

IV.38 The legislative authority and mandates for the programme relative to this new section of the budget are indicated in paragraph 10.1 of the proposed programme budget. The Office of the High Representative, which is responsible for implementing the programme of work under this section, was established by the General Assembly in its resolution 56/227 of 24 December 2001 (see the Advisory Committee's related report, A/56/716). The basic functions of the Office of the High Representative are set out in paragraph 10.3 of the proposed programme budget. The estimates for section 10 are to provide capacity to address the issues related to the least developed countries, landlocked developing countries and small island developing States. Upon enquiry, the Committee was informed that this involved 90 countries.

IV.39 Extrabudgetary resources of $15,100 are shown in table 10.3, compared with an estimate of $486,000 for 2002-2003. However, the Advisory Committee was informed that those resources only reflected the amount already committed for the next biennium.

IV.40 From the testimony of the High Representative, the Advisory Committee has concluded that his office is not operational in nature in that it is not engaged in providing direct technical assistance to the countries under his purview, and that his role is one of coordination, advocacy and mobilization of international support for the 90 countries covered by the Office. **Under the circumstances, the Committee trusts that in performing its duties, the Office of the High Representative will make every effort to use research material and other information already available, for example, from UNCTAD, the United Nations funds and programmes and the specialized agencies, so as to avoid duplication and optimize the use of the small professional capacity of the Office.**

Section 11
United Nations support for the New Partnership for Africa's Development

Proposal submitted by the Secretary-General	$9,103,600
Revised appropriation for 2002-2003	$6,052,300
Projected extrabudgetary resources	$161,200

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

IV.41 *Inward redeployment and conversion under subprogramme 1, Coordination of global advocacy of and support for the New Partnership for Africa's Development, of seven general temporary assistance posts from the Office of the Adviser for Special Assignments in Africa, previously budgeted under section 3, Political affairs (1 Under-Secretary-General, 1 D-1, 1 P-4, 2 P-3 and 2 General Service posts) (A/58/6 (Sect. 11), para. 11.18).* **The Advisory Committee recommends acceptance of this proposal.** Moreover, the Committee notes that the number and grade level of the posts in this section are the result of the combination of two previous organizational units. **The Committee trusts that an effort will be made in future to move towards a more pyramid-like structure, especially at the P-3 and P-2 levels.**

Other comments and recommendations

IV.42 The General Assembly, in its resolutions 57/2 of 16 September 2002 and 57/7 of 4 November 2002, decided to bring the United Nations New Agenda for the Development of Africa in the 1990s to a close and to endorse the Secretary-General's recommendation for the New Partnership for Africa's Development as the framework within which the international community, including the United Nations system, should concentrate its efforts for Africa's development. The need for a structure at the appropriate level in the United Nations Secretariat in New York was emphasized, and the Secretary-General was requested to make proposals on the organization of such structure in the context of his proposals for the proposed programme budget for 2004-2005.

IV.43 Subsequently the General Assembly, in its resolution 57/300, approved the transfer of the resources allocated to the Office of the Special Coordinator for Africa and the Least Developed Countries and those from the Office of the Adviser for Special Assignments in Africa to the new Office of the Under-Secretary-General and Special Adviser on Africa, entrusting it with the responsibilities indicated in paragraph 11.3 of the proposed programme budget. The Secretary-General has issued a bulletin establishing the Office of the Special Adviser and its functions (ST/SGB/2003/6).

IV.44 The Advisory Committee notes that the revised programme 8 of the medium-term plan, entitled "United Nations support for the New Partnership for Africa's Development", is to be submitted to the General Assembly at its fifty-eighth session, through the Committee for Programme and Coordination, along with the proposed programme budget for the biennium 2004-2005, as requested by the General Assembly in its resolution 57/282 of 20 December 2002. The revised programme contains three subprogrammes: subprogramme 1, Coordination of global advocacy of and support for the New Partnership for Africa's Development, which is under the responsibility of the new Office of the Special Adviser on Africa; subprogramme 2, Regional coordination of and support for the New Partnership for Africa's Development, which is under the responsibility of a special coordinating unit in the Economic Commission for Africa (ECA); and subprogramme 3, Public information and awareness activities in support of the New Partnership for Africa's Development, which is under the responsibility of the Africa Section of the Department of Public Information. The objectives, focus and strategy of the programme are summarized in paragraphs 11.7 to 11.9 of the proposed programme budget.

Section 12
Trade and development

Proposal submitted by the Secretary-General	$96,998,200
Revised appropriation for 2002-2003	$91,295,800
Projected extrabudgetary resources	$41,126,600

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

IV.45 *One D-2, Head of the Division of Management, under programme management (A/58/6 (Sect.12), para. 12.76).* **The Advisory Committee did not agree to the establishment of this post in paragraph IV.47 of its report on the**

proposed programme budget for 2002-2003[2] **and remains unconvinced of the necessity to establish it.**

IV.46 *One P-4, Division on Investment, Technology and Enterprise Development, under subprogramme 2 (ibid., para. 12.48).* **The Advisory Committee observes that follow-up to the International Conference on Financing for Development should be the responsibility of the staff in the Division rather than that of a single individual. In view of the existence of capacity in this regard, even prior to the Conference, the Committee does not agree to the establishment of this post and recommends that the follow-up of the outcomes of the Conference be assigned to one of the 43 current P-1 to P-4 staff in the Division.**

IV.47 *Reclassification of one General Service post to the Principal level, Office of the Deputy Secretary-General, for the function of personal assistant (ibid., para. 12.30).* The additional information provided to the Advisory Committee indicates that the staffing table for section 12 already has 12 General Service posts at the Principal level. Furthermore, no compelling justification has been adduced to warrant the proposed reclassification. **Accordingly, the Advisory Committee does not support the proposed reclassification.**

IV.48 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

IV.49 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

IV.50 The additional requirements of $250,300 (before recosting) under consultants and experts, as compared with the 2002-2003 appropriation of $1,318,500, are related to increases under executive direction and management ($22,300), subprogramme 1, Globalization, interdependence and development ($68,000), subprogramme 2 , Investment, enterprise and technology ($78,800), subprogramme 3, International trade ($56,900) and subprogramme 4, Services infrastructure for development, trade efficiency and human resources development ($24,300). The Advisory Committee notes, however, that resources for consultants and expert groups are requested for subjects that are not always specific and in many cases appear to be overlapping. For example, under executive direction and management, consultants are to provide services in a number of areas not falling within individual subprogrammes, but these are not identified; under subprogramme 1, consultants are to undertake studies in current trends in the world economy and issues in globalization, and under subprogramme 2, expert groups are to consider new and emerging technology applications. The experience of the Committee has been that programme managers often use approved resources for items that are not necessarily indicated in the budget proposal. The Committee further notes that an amount of

$23,930,800 is projected for consultants and experts under extrabudgetary resources. **In view of the above comments, the Committee recommends that resources of $1,350,000 (at 2004-2005 rates) be authorized for consultants and experts, reflecting a reduction of $244,000 (at 2004-2005 rates).**

Other comments and recommendations

IV.51 As in the case of section 9, Economic and social affairs, the Advisory Committee believes there is still a need to further refine the presentation of objectives and expected accomplishments, particularly under executive direction and management. It is unclear how the objective, expected accomplishments and indicators of achievement set out in table 12.7 are relevant to the tasks outlined in paragraph 12.28, in particular, strategic planning, coordination and programme assessment (see also paras. 19-25 above and para. IV.49 of the Committee's previous report[2]).

IV.52 The Advisory Committee notes that the programme of work was reviewed by the Working Party on the Medium-term Plan and the Programme Budget from 13 to 17 January 2003, which proposed a number of adjustments (see para. 12.8 of the proposed programme budget). The Committee was provided with a copy of the agreed conclusions adopted at the fortieth session of the Working Party (TD/B/WP/162).

IV.53 The shift in programme implementation strategy for 2004-2005, as indicated in paragraph 12.5, is reflected in the shift of resources to subprogrammes 2 and 3. The Advisory Committee notes that the negative resource growth of $89,000 for policy-making organs, shown in table 12.4, reflects reductions under other staff costs, travel of representatives and general operating expenses, based on estimates of projected requirements. The reduction of $981,600 for executive direction and management reflects mostly the redeployment of post-related resources to the Division of Management (programme support) and to subprogrammes 3 and 4.

IV.54 A total of 15 redeployments are indicated for this section, which reflect the strengthening of subprogrammes 1 and 3, taking into account requests by Member States stressing the need for the provision of support to developing countries in the multilateral trade negotiations. These are summarized in paragraph 12.14 and under each subprogramme.

IV.55 **The Advisory Committee appreciates this information. However, in its opinion, the basis for the number and grade levels of the proposed transfers between subprogrammes is not always obvious from the narratives. In the majority of cases, the reason stated is to strengthen a particular subprogramme or area, often after the expression of support by Member States. The Committee believes that there are many alternatives for strengthening the implementation of work programmes, including the use of new technology, and streamlining work implementation and management processes to increase efficiency and productivity. The movement of staff between subprogrammes should always be based on workload requirements. The Committee fully supports redeployment as a way of implementing work programmes and avoiding requests for additional posts. However, when a programme is to be strengthened, all the different alternative approaches should be explored fully before a request is made to increase the number of posts for that programme (see para. 36 above).**

IV.56 The Advisory Committee notes that the resources of the UNCTAD New York Office are included under executive direction and management (paras. 12.28 and 12.30). In view of the increasing possibilities for interconnection among duty stations (via the Internet, e-mail and videoconferencing), the Committee doubts the cost-effectiveness of maintaining a liaison office with four posts in New York (1 P-5, 1 P-3, and 2 General Service). **The Committee requests the Organization to consider the feasibility of establishing a common liaison service that would deal with such matters as protocol, travel and lodging reservations and receiving and providing support to visiting officials. This matter is further discussed in paragraph 106 above.**

IV.57 The Advisory Committee also noted that 185, or 44 per cent, of the regular budget and extrabudgetary posts in section 12 are at the General Service level. The Committee is fully aware that this type of staff provides more than clerical support, including technical support in communication and information services. **Nevertheless, as in the case of section 9, the Committee considers the ratio to be high and is of the opinion that it should be reviewed with a view to reducing the number, while ensuring adequate support for communication and information technology (see also paras. 61-62 above).**

IV.58 The Advisory Committee was provided with a list of publications for 2004-2005 indicating a total of 220 items, compared with 279 in 2002-2003. The Committee also notes from the annex to section 12 that 135 outputs will be discontinued for 2004-2005. The Committee welcomes the information provided in writing and orally by the representatives of the Secretary-General on publications. The Committee also appreciates the examination of the work programme by the UNCTAD Working Party on the Medium-term Plan and the Programme Budget. However, section 12 does not contain information on the implementation of the recommendations of the Advisory Committee, including those on the subject of publications, particularly as regards the call for a rigorous examination and impact analysis of the role of publications in contributing to the achievement of expected accomplishments. **The Committee requests that in the next budget submission information be provided on the extent to which its recommendations and observations set out in paragraphs 69 to 78 and IV.44 to IV.54 of its previous report[2] have been implemented.**

Section 13
International Trade Centre UNCTAD/WTO

IV.59 The Advisory Committee recalls that the General Assembly, in its decision 53/411 B of 18 December 1998, endorsed the revised administrative arrangements for the International Trade Centre UNCTAD/WTO (ITC) recommended by the Advisory Committee (A/53/7/Add.3, para. 11). The Secretary-General submitted a report on the outline of the proposed programme budget for the biennium 2004-2005 for ITC (A/57/761), as called for in that decision. The outline estimated total resources of Sw F 66,649,800 (combined World Trade Organization and United Nations shares) with income of Sw F 347,500 annually and the United Nations share of the costs at Sw F 32,977,400 for the biennium.

IV.60 The Advisory Committee recommended that the General Assembly take note of the resources proposed in the budget outline (A/57/7/Add.26). The Assembly, in its resolution 57/312 of 18 June 2003, took note of the report of the Secretary-

General containing the outline and concurred with the related observations and recommendations of the Committee.

IV.61 As indicated in paragraph 13.6, a detailed proposed programme budget for ITC for the biennium 2004-2005 will be submitted to the General Assembly at its fifty-eighth session.

Section 14
Environment

Proposal submitted by the Secretary-General	$10,012,300
Revised appropriation for 2002-2003	$8,355,100
Projected extrabudgetary resources	$240,729,800

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

IV.62 *One P-5, Chief, Oversight and Evaluation Unit, UNEP (A/58/6 (Sect. 14), para. 14.25).* The Advisory Committee was informed, upon request, that the staffing for this unit included one P-5, one P-4 and three General Service posts, currently funded from the Environment Fund. The staffing plan for 2004-2005 would not change, but the Secretary-General is proposing to fund this post (along with one Local level post) from the regular budget, thus releasing Environment Fund resources for substantive activities. **The Advisory Committee recommends acceptance of the proposal to establish this post under the regular budget, in view of the core functions of the post.**

IV.63 *One Local level post to provide programme and administrative support in the same unit (ibid.).* As indicated in paragraph IV.62 above, the post is currently funded from Environment Fund resources. **For the reasons set out above, the Advisory Committee recommends acceptance of the proposal to establish this post under the regular budget.**

IV.64 *One P-5, secretariat of the United Nations Scientific Committee on the Effects of Atomic Radiation (ibid., para. 14.32).* The Advisory Committee was informed that the post would provide back-up to the Secretary of the Committee, allowing greater assumption of urgent requests for assistance and guidance. Current staffing includes one D-1 and two General Service posts (1 Principal level and 1 Other level). Although the Committee notes the request in paragraph 6 of General Assembly resolution 57/115 of 11 December 2002 for UNEP to continue providing support for the effective conduct of the work of the Scientific Committee, it does not believe that such a request automatically requires the establishment of a new post (see para. 81 above). **The Committee therefore recommends against the establishment of this post.**

IV.65 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Other comments and recommendations

IV.66 The Advisory Committee notes that the presentation of the objectives, expected accomplishments, indicators of achievement and performance measures for this section are for programmes and activities that are funded almost entirely from extrabudgetary resources. The programme of work is approved by the Governing Council and is included in the medium-term plan as part of the integrated planning that the Organization has followed from the time it launched medium-term plans and programme budgets. **In view of the introduction of results-based budgeting and the stress on accountability, the Committee is of the opinion that it may be necessary in future to review the results-based-budgeting presentation of budget sections where there is a relatively small regular budget component of a programme that is largely funded from extrabudgetary resources, such as those on environment, human settlements, human rights, Palestine refugees, and international drug control.**

IV.67 The Advisory Committee notes from table 14.2 of the proposed programme budget that the number of publications is to decrease from 40 in the current biennium to 25 for 2004-2005. A total of seven outputs are discontinued, as indicated in the annex. The Committee has made comments and observations regarding the issue of publications in paragraphs 100 to 105 above.

Section 15
Human settlements

Proposal submitted by the Secretary-General	$14,918,100
Revised appropriation for 2002-2003	$12,794,200
Projected extrabudgetary resources	$211,079,000

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

IV.68 *One P-4, human settlements officer for water and sanitation, subprogramme 1, Shelter and sustainable human settlements development (A/58/6 (Sect. 15), para. 15.27).* **This post is requested to strengthen work in the area of water and sanitation. The Advisory Committee recommends approval of the post.**

IV.69 *One P-5, senior human settlements monitoring and evaluation officer, subprogramme 2, Monitoring the Habitat Agenda (ibid., para. 15.31).* The Advisory Committee recalls that two posts (1 P-5 and 1 P-4) were approved under subprogramme 2 in 2002-2003. Moreover, staffing under this subprogramme for 2002-2003 includes a total of 51 posts, 25 of which are funded from the regular budget (16 Professional and 9 Local level) and 26 from extrabudgetary resources (17 Professional and 9 Local level). The latter are projected to increase to 31 for 2004-2005 (19 Professional and 12 Local level). **The Committee is therefore of the opinion that the functions of the proposed P-5 post under subprogramme 2 should be assigned to the existing staff under this programme.**

IV.70 *One Local level post to assist with clerical support functions, subprogramme 2, (ibid.).* **For the same reasons indicated in paragraph IV.69 above, the Advisory Committee does not recommend acceptance of this post.**

IV.71 *Reclassification of the post of Secretary to the Governing Council from P-5 to D-1 (ibid., para. 15.22).* **The Advisory Committee recommends acceptance of the proposal to reclassify the post of the Secretary to the Governing Council to the D-1 level in view of the increased responsibilities of the post.**

IV.72 *Reclassification of a P-4 post to the P-5 level for the Chief, Housing Policy Unit, subprogramme 1 (ibid., para. 15.27).* **The Advisory Committee recommends that the procedure outlined in paragraphs 73 to 79 above be followed.**

IV.73 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Section 16
Crime prevention and criminal justice

Proposal submitted by the Secretary-General	$8,375,600
Revised appropriation for 2002-2003	$6,339,800
Projected extrabudgetary resources	$6,848,900

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

IV.74 *Three temporary posts (1 P-4, 1 P-3 and 1 General Service), Intergovernmental and Legal Affairs Branch (A/58/6 (Sect. 16), para. 16.30).* The functions are related to the United Nations Convention against Corruption, the Conference of the Parties to the United Nations Convention against Transnational Organized Crime and its three Protocols and the Eleventh United Nations Congress on Crime Prevention and Criminal Justice. **For the reasons given in the proposed programme budget, the Committee recommends approval of the three temporary posts.**

Section 17
International drug control

Proposal submitted by the Secretary-General	$18,078,500
Revised appropriation for 2002-2003	$16,293,700
Projected extrabudgetary resources	$170,953,500

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on post resources

IV.75 *One P-4, Precursor Control Unit, subprogramme 2, International drug control monitoring and policy-making (A/58/6 (Sect. 17), para. 17.40).* The Advisory Committee recalls that two posts (1 P-4 and 1 P-3) were provided in 2002-2003 to strengthen this programme. **In view of that fact, and given that 37 regular budget and extrabudgetary Professional posts are currently available under the subprogramme, the Committee recommends against the establishment of this post.**

IV.76 *One General Service post, Precursor Control Unit, subprogramme 2 (ibid.).* **In view of the 24 General Service regular budget and extrabudgetary posts already existing under the subprogramme, the Advisory Committee is not convinced of the need for an additional General Service post.**

IV.77 *One P-4, subprogramme 4, Supply reduction: elimination of illicit crops and suppression of illicit drug trafficking (ibid., para. 17.50).* The incumbent would provide continued technical support to activities related to the eradication of illicit drug crops and alternative development. **For the reasons provided in the proposed programme budget, the Advisory Committee recommends approval of this post.**

IV.78 *One P-3 to undertake the development of standards in drug testing and the preparation of best practices guidelines and to provide a frame of reference for national laboratories and for scientific support for drug control activities, subprogramme 4 (ibid.).* **For the reasons provided in the proposed programme budget, the Advisory Committee recommends approval of this post.**

IV.79 *Reclassification of one P-4 to P-5, Narcotics Control and Estimates Unit, subprogramme 2 (ibid., para. 17.40).* **The Advisory Committee recommends that the procedure outlined in paragraphs 73 to 79 above be followed.**

IV.80 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

IV.81 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

IV.82 The provision for travel of staff increases by $98,300 before recosting. In this connection, the Advisory Committee noted the increases proposed under subprogramme 3, Demand reduction: prevention and reduction of drug abuse, treatment and rehabilitation of drug abusers ($9,600) for consultation with other United Nations entities and under subprogramme 4 ($17,900) related to the illicit crop surveys in six countries. **In view of the communication and information technology available, the Committee recommends reducing the provision under travel of staff by $25,000 to $570,000 (before recosting).**

Part V

Regional cooperation for development

Proposal submitted by the Secretary-General	$378,900,900
Revised appropriation for 2002-2003	$352,410,800
Projected extrabudgetary resources	$85,981,200

General comments on part V

V.1 **The Advisory Committee finds the presentation of expected accomplishments and indicators of achievement in part V of the proposed programme budget to be more precise than in a number of other budget sections. The Committee welcomes this progress. The Committee also requests that in future, consideration be given to refining the indicator "full utilization of resources" so that the impact of the utilization of resources can be measured. Similarly, the indicator "timely recruitment and placement of staff" should refer to the targets for recruitment approved by the General Assembly. Moreover, opportunities do exist for further improvements in the manner indicated by the Committee in paragraphs 19 to 25 above.**

V.2 The Advisory Committee notes that the presentation of resource requirements for information and communication technology in this part of the proposed programme budget varies from section to section and even within some of the sections. For example, resources for information and communication technology in section 18A, Regional commission, are shown under executive direction and management, several programmes of activity and programme support. **The Committee is concerned that no explanation is given in individual sections of the proposed requirements related to the restoration of the reductions made in the initial 2002-2003 appropriations for information and communication technology.**

V.3 **The Advisory Committee is of the view that the use of new technology to implement the work programme in the regional commissions should be pursued more vigorously. The Committee requests that in future, resources for information and communication technology, including staff costs programmed under part V of the proposed programme budget, be clearly identified in the context of the support services of the regional commissions. Plans for automation, the related projects and benefits expected should also be described using the standards set out in the report of the Secretary-General on the information and communication technology strategy (A/57/620). Furthermore, time frames for the completion of information technology projects should also be indicated. The Committee also stresses that whenever resources are released, whether through reductions in the number of publications or meetings or from streamlining administrative and management process, priority should be given to transferring resources to enhance the capacity of the regional commissions in information and communication technology (see also paras. 108-126 above).**

V.4 **The Advisory Committee notes that there has been some progress in reviewing publications programmes; however the intensity of such reviews varies among the regional commissions. The Committee reiterates its view that publications need to be linked directly to expected accomplishments in the manner stated in paragraph 72 of the first report of the Advisory Committee on the proposed programme budget for the biennium 2002-2003.[2] The Committee also recommends that thought be given to devising other means of providing the information now being communicated through hard-copy publications, such as increasing use of the Internet and the United Nations-wide Intranet, as well as seminars and workshops (see para. 105 above).**

V.5 The Advisory Committee recalls its previous observations on interregional interaction and collaboration (see ibid., paras. V.28, V.31, V.49 and V.50) and requests that the regional commissions intensify their efforts, as well as coordination within the United Nations system. **The Committee does not find the measures adopted so far to be adequate and believes that the regional commissions should intensify their efforts to collaborate and interact among themselves and with other regional entities in order to share experiences, lessons learned and workload. Furthermore, if sufficient capacity is established to interact more effectively through electronic means, the duplication of efforts in such areas as publications and research between the commissions and relevant departments at Headquarters could be averted.**

V.6 The Advisory Committee recalls that in paragraph 72 of General Assembly resolution 56/253, the Assembly noted with concern the high proportion of General Service posts compared to Professional posts in the regional commissions and requested the Secretary-General to report to it at its fifty-seventh session on efforts undertaken, as appropriate. **The Committee notes the information contained in paragraph 66 of the Introduction to the proposed programme budget, and requests that information on such steps as may have been taken to address the request of the Assembly, including the elaboration of local prevailing conditions, be provided for each regional commission in the context of the next estimates.**

Section 18
Economic and social development in Africa

Section 18A
Regional commission

Proposal submitted by the Secretary-General	$86,595,000
Revised appropriation for 2002-2003	$82,497,700
Projected extrabudgetary resources	$32,766,300

A summary of the proposal of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of the projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

V.7 *Reclassification of the post of the Chief, Facilities Management Section, from P-4 to P-5 (A/58/6 (Sect. 18), para. 18A.72).* See paragraphs 67 to 79 above.

V.8 *Reclassification of a Local level post of Deputy Security Officer to the P-2/1 level (ibid.).* **The Advisory Committee recommends acceptance of this reclassification.**

V.9 A total of 223 posts (65 Professional, 155 Local level and 3 Field Service) would be redeployed between and within subprogrammes. **The Advisory Committee observes, however, that the basis for the number and grade level of proposed redeployments between subprogrammes is not always clear from the narratives.** Proposed redeployments are explained, in the majority of cases, in terms of the need to strengthen a particular subprogramme, often after the expression of support by Member States. **The Committee points out that the redeployment of staff should always be based on workload requirements (see also para. 36 above).**

V.10 The Advisory Committee notes that no explanation was provided for the changes in the composition of staffing funded from extrabudgetary sources. **The Committee requests that a brief explanation of changes in extrabudgetary posts and non-post resources that are not subject to separate review by the Committee be included in future budget submissions. The narratives in section 24, Human rights, should serve as a model.**

V.11 The Advisory Committee notes that 52 Professional posts, or 23.4 per cent, and 23 General Service posts, or 6.6 per cent, remained vacant at the Economic Commission for Africa as of 31 May 2003 (see annex V below). **The Committee is concerned that little progress has been made in improving the incumbency situation at ECA in the Professional category of staff.** The Committee was informed that despite efforts to recruit on a short-term basis, between 5 and 17 per cent of programmed activities in some divisions had not been delivered because of the vacancy situation. The Committee was informed that the difficulties the Commission was experiencing with the use of the Galaxy recruitment system were due primarily to inadequate staff training. The Committee was further informed that the measures taken so far by ECA to rectify the situation included: (a) the establishment of a task force composed of recruitment focal points from every division to monitor and review progress in recruitment; and (b) training of staff in the Galaxy recruitment database. **Pending the resolution of problems with the Galaxy system, United Nations system offices in the region could be used to publicize ECA vacancies. The Advisory Committee requests that consideration be given to enhancing the authority delegated to ECA for recruitment (currently up to the P-4 level) on an exceptional basis to speed up the recruitment process. The Committee also requests that the next budget submission for ECA contain information on progress achieved in the incumbency situation there.**

V.12 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

V.13 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effects on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers are shown (at 2004-2005 rates) in table 11.**

V.14 The Advisory Committee notes from the supplementary information provided to it that a provision of $2,185,900 is made under other staff costs, including general temporary assistance, for maternity leave, sick leave and peak workload replacements, as well as for such functions as the collection of information, the hiring of drivers, cleaners and security officers, and the provision of conference services.

V.15 The Advisory Committee was informed, upon enquiry, that at the time of the consideration of the budget submission 83 posts (27 security officers, 11 drivers, 16 clerks, 6 finance assistants, 6 technicians, 6 cleaners and 11 messengers) were funded from general temporary assistance for periods sometimes exceeding 10 years. The Committee understands that many of these staff perform continuing functions. **In this connection, the Committee recalls its recommendation that the issuance of 11-month contracts to meet continuing needs be discontinued and that strict controls be put in place to prevent future misuse of general temporary assistance funds (see A/55/499, para. 17). The issue of using general temporary assistance funds for continuing functions is discussed in paragraph 85 above.**

V.16 With regard to the amount of $1,364,300 (before recosting) requested under other staff costs for, inter alia, temporary assistance for meetings for translation, interpretation, proof-reading and editorial services, **the Advisory Committee is of the opinion that considerable efficiency and productivity are possible in the use of these resources. The Committee encourages the Commission to explore**

opportunities for sharing workload by taking account of spare capacity that may exist at a given period of time at other duty stations in such areas as translation, editing, printing and interpretation. For example, the United Nations Office at Nairobi projects that it will use only 34 per cent of its interpretation capacity during the next biennium. **The Committee observes that workload-sharing has the potential to optimize the use of staff and non-staff resources and could lead to savings in some services for the receiving duty station. The Committee requests that progress in the area of workload-sharing be reported in the context of the proposed programme budget for the biennium 2006-2007.**

V.17 Requirements for consultants and experts estimated at $1,961,200 (before recosting) show growth of $103,300, or 5.5 per cent, compared with the appropriation of $1,857,900 for the biennium 2002-2003. **The Advisory Committee's review of the issues for which consultancy services would be required shows that in a number of cases consultants would work on papers of a rather general nature, such as policy position papers, regional evaluation reports, training materials and the like, the expertise for which should be available within the substantive divisions of ECA. Consultancy requirements under a number of subprogrammes are not linked to specific issues. Under the circumstances, the Advisory Committee recommends that the proposed requirements be reduced by $60,000 (before recosting).**

V.18 A significant increase is proposed in requirements for travel of staff, both under the regular budget ($1,996,600, before recosting, compared with $1,693,100 for 2002-2003) and in extrabudgetary funding ($2,456,800, compared with $1,598,000 for 2002-2003). The additional information provided to the Advisory Committee shows numerous instances of travel for the purpose of collecting data for publications and for consultations with member States and subregional and regional intergovernmental and non-governmental organizations. The Committee acknowledges the special circumstances that the Commission faces regarding the cost of travel. **Nevertheless, travel expenditure in future should be lower, taking into account the increasing electronic connectivity of the Commission with its five subregional development centres. Therefore, the Committee does not recommend the proposed regular budget resource growth of $303,500 (before recosting) for travel of staff.**

V.19 **The Advisory Committee welcomes the information provided in table 18A.27 of the budget submission on the progress made to increase the videoconferencing capacity of the Commission. The Committee stresses that increased capacity to communicate and transmit data electronically could improve efficiency and productivity and reduce costs for travel of staff and pouch services. The Committee requests that further progress in this regard be reported in the context of the next proposed programme budget of ECA.**

V.20 The Advisory Committee notes from the supplementary information provided to it that a significant increase is proposed for contractual services, both under the regular budget ($1,959,900, compared with $1,795,000 for 2002-2003) and in extrabudgetary funding ($7,578,400, compared with $3,525,500 for 2002-2003). Contractual services are requested for external printing, public information services, editing, translation, hiring of short-term staff for peak workload periods, training, advertising and so on. **The Committee welcomes the efforts of the Commission to expand its internal printing capabilities and encourages further progress in this**

area; the Commission should also explore the possibility of reducing the amount of external printing by making available, when feasible, as many of its publications as possible in electronic format, taking into account the specific situation of end-users.

V.21 The Advisory Committee was informed, upon enquiry, that the total estimated requirements of $9.5 million (before recosting) under general operating expenses, supplies and materials and furniture and equipment included a provision of $661,700 (at 2002-2003 rates) pertaining to the restoration of resources for common services facility infrastructure. The Committee's position on the restoration of budget cuts is that it is incumbent upon the Secretary-General in each case to demonstrate the necessity of the restoration by presenting convincing evidence that a continuation of the current situation would result in negative consequences that were otherwise avoidable (see para. 47 above). **The Committee points out that no such evidence was provided for the restoration in section 18; therefore, it recommends that the estimated requirements be reduced by $661,700 (before recosting).**

Other comments and recommendations

V.22 **The Advisory Committee welcomes the remarkable projected increase in estimated extrabudgetary resources ($8,705,500, or 36 per cent over the estimate for the current biennium), mostly from bilateral sources, and commends the Executive Secretary and the donor community for that achievement.**

V.23 The Advisory Committee was informed, upon enquiry, that the Commission was required to report to all donors on the use of funds provided by them. **The Committee trusts that standard reporting mechanisms will be formulated in consultation with the donor community with a view to simplifying the reporting process and rationalizing the frequency of reports, thereby reducing the attendant workload and costs. The Committee suggests that the experience of UNHCR and the World Food Programme, which had received similar requests from the Committee, be investigated. The Committee stresses the importance of ensuring that the receipt and use of bilateral resources continue to be in accordance with the purposes of the United Nations and take fully into account the priorities set by the Commission.**

V.24 The Advisory Committee notes that extrabudgetary resources have been used in ECA to establish capacity in information and communication technology. **The Committee welcomes this development. However, it emphasizes that requirements for short- and long-term maintenance and upgrading should be fully taken into account at the time of receipt of extrabudgetary resources.**

V.25 The programme of work of ECA for the biennium 2004-2005 reflects the addition of a new subprogramme 8, Development planning and administration. The former subprogramme 2, Promoting trade and mobilizing finance for development, has been discontinued, and a number of areas of work have been grouped together in order to enhance coherence and complementarity (see A/58/6 (Sect. 18), para. 18A.3). **The Advisory Committee observes that, although the work programme of ECA is based on programme 14 of the medium-term plan for the period 2002-2005,[9] entitled "Economic and social development in Africa", there is no subprogramme entitled "Social development", unlike the sections dealing with**

Asia and the Pacific (Sect. 19) and Latin America and the Caribbean (Sect. 21), nor is there a subprogramme dealing with transport.

V.26 The Advisory Committee recalls that in the context of its review of the budget submission for the biennium 2002-2003,[2] it had commented extensively on ECA publications and requested that the budget submission for the biennium 2004-2005 contain a clear identification of end-users and information on the systematic use of impact analysis and a standardized procedure for collaboration in the production of ECA publications.

V.27 The reply in table 18A.27 does not deal satisfactorily with the request of the Advisory Committee, and the representatives of the Commission confirmed that as yet no impact analysis had been conducted. The Committee notes from table 18A.2 that 107 publications would be produced by ECA during the biennium 2004-2005, compared with 88 for the current biennium. Moreover, the Committee notes from the supplementary information that only four publications would be made available in both print and electronic formats (see the recommendation in para. V.20 above).

Section 18B
Regional Commissions New York Office

Proposal submitted by the Secretary-General	$1,522,200
Revised appropriation for 2002-2003	$1,368,200

A summary of the proposal of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget.

Recommendations on posts

V.28 *Reclassification of the Library Assistant from General Service (Other level) to the Principal level (para. 18B.4).* **The Advisory Committee recalls that it had recommended the reclassification in the context of its review of the proposed programme budget for the biennium 2002-2003; the Committee reiterates its recommendation.**

Other comments and recommendations

V.29 **The Advisory Committee, in paragraph 106 above, has called upon all United Nations funds and programmes now represented at Headquarters to examine the merits of this apparently effective common services arrangement.**

Section 19
Economic and social development in Asia and the Pacific

Proposal submitted by the Secretary-General	$64,727,100
Revised appropriation for 2002-2003	$58,821,300
Projected extrabudgetary resources	$18,963,800

A summary of the proposal of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of the projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

V.30 *One P-2, subprogramme 1, Poverty and development (A/58/6 (Sect. 19), para. 19.33).* **The Advisory Committee recognizes the importance of this subprogramme for the Economic and Social Commission for Asia and the Pacific (ESCAP) and recommends, therefore, acceptance of the post.**

V.31 *One P-2, subprogramme 2, Statistics (ibid., para. 19.37).* The Advisory Committee observes that for the biennium 2004-2005, two Local level posts would be abolished under this subprogramme due to productivity gains. The Committee notes from the supplementary information provided to it that the post is requested to update and increase the volume of statistical data holdings, particularly in respect of the indicators used for monitoring the Millennium Development Goals. **The Committee is of the view that the listed functions should be performed by all staff of the Statistics Division rather than by an individual staff member. Accordingly, the Committee recommends against the establishment of this post; its functions should be absorbed within the existing capacity.**

V.32 *One P-2, subprogramme 5, Environment and sustainable development (ibid., para. 19.49).* **The Advisory Committee recognizes the need for the functions for which the post is requested, most importantly those related to improving affordability and access to safe drinking water, and it therefore recommends the establishment of the post.**

V.33 *One P-2, subprogramme 6, Information, communication and space technology (ibid., para. 19.53).* **The Advisory Committee is not satisfied with what appears to be a "generic" justification for the post, namely, "to strengthen the capacity of the subprogramme", and it does not recommend the establishment of the post.**

V.34 *One P-2, subprogramme 7, Social development, including emerging social issues (ibid., para. 19.57).* The Advisory Committee sought and received additional information on how the establishment of this post would contribute to the implementation of the Beijing Platform for Action and further the Millennium Development Goals on gender issues. **The Committee recommends acceptance of the post.**

V.35 **The Advisory Committee welcomes the proposed abolition, as a result of productivity gains, of 12 Local level posts (2 in statistics, 1 in transport and**

tourism and 9 for programme support) for the biennium 2004-2005. The Committee was informed, upon enquiry, that the gains were achieved primarily through the centralization of library services, the upgrading of information technology and the rationalization of functions in the programme support area. **The Committee encourages further measures to achieve productivity gains.**

V.36 The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.

Recommendations on non-post resources

V.37 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effects on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

V.38 The Advisory Committee notes from the supplementary information provided to it that a provision of $855,000 is requested under other staff costs, primarily for temporary assistance, $782,100 is requested for consultants and experts and $524,400 is requested under contractual services (all figures before recosting). The Committee points out that these amounts would provide considerable additional personnel capacity to implement the work programme. In many cases, however, the resources requested are not linked to specific studies to be undertaken.

V.39 The Advisory Committee was informed, upon enquiry, that the total estimated requirements of $3,757,900 (before recosting) under general operating expenses and supplies and materials included a provision of $249,700 pertaining to the restoration of resources for the common services facility infrastructure. The Committee's position on the restoration of budget cuts is that it is incumbent upon the Secretary-General, in each case, to demonstrate the necessity of the restoration by presenting convincing evidence that a continuation of the current situation would result in negative consequences that were otherwise avoidable (see para. 47 above). **The Committee points out that no such evidence was provided for the restoration in section 19; therefore, it recommends that the estimated requirements of $3,757,900 be reduced by $249,700 (before recosting).**

V.40 The proposed requirements for furniture and equipment reflect a significant increase both under the regular budget ($1,405,800 before recosting, compared with $861,000 for 2002-2003) and in extrabudgetary funding ($246,200, compared with $182,400 for 2002-2003). Supplementary information provided to the Advisory Committee did not convince it that the entire increase was necessary. **The Committee therefore recommends a reduction of $181,500 (before recosting). The Committee points out that even with the reductions recommended in this and the preceding paragraph, there would still be resource growth of $352,000 (before recosting) under general operating expenses and furniture and equipment combined.**

Presentation

V.41 The Advisory Committee recalls its comments and recommendations in paragraphs V.39 and V.40 of its previous report[2] on the need to refine some of the results-based-budgeting techniques for ESCAP. **The Committee commends the Commission for attempting to draft the expected accomplishments and indicators of achievement more concisely and encourages further improvements in this area. For example, the Committee notes with satisfaction that one of the indicators for executive direction and management would be "full and effective utilization of resources" (see table 19.7). The Committee requests that consideration be given to further refining this indicator so that the impact of the utilization of those resources could be measured. Similarly, the indicator "timely recruitment and placement of staff" should refer to specific targets for the recruitment and placement of staff approved by the General Assembly.**

Section 20
Economic development in Europe

Proposal submitted by the Secretary-General	$46,948,100
Revised appropriation for 2002-2003	$43,798,800
Projected extrabudgetary resources	$15,696,300

A summary of the proposal of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of the projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

V.42 *One P-4, subprogramme 2, Transport (A/58/6 (Sect. 20), para. 20.34).* This post is to provide secretariat and expert support to meetings of the World Forum for Harmonization of Vehicle Regulations and also to maintain and update the Compendium of Candidate Regulations for Harmonization and Registry for Global Regulations.

V.43 The Advisory Committee notes from the supplementary information that this new task was specifically introduced in the revised medium-term plan for the period 2002-2005[9] and that the World Forum for Harmonization of Vehicle Regulations had requested the inclusion of such a post in the next biennial budget. The Committee points out in this connection that proposals of intergovernmental bodies that have an administrative or financial impact on the programme budget should be accompanied by a statement of programme budget implications. No such statement was submitted to the General Assembly with regard to this post. **Under the circumstances, the Committee is of the view that the new functions under subprogramme 2 should be accommodated through realignment of the responsibilities of all 33 staff of the Transport Division or through the redeployment of staff within the Commission.** The Committee also recalls that a new P-4 post in the Division was authorized by the Assembly for the biennium 2002-2003.

V.44 *Reclassification from P-3 to P-4 of the post dealing with agricultural standards, subprogramme 6, Trade development (ibid., para. 20.50).* See paragraphs 67 to 79 above.

V.45 *Reclassification from P-3 to P-4, subprogramme 8, Human settlements (ibid., para. 20.58).* This relates to the post of the Secretary to the Committee on Human Settlements, who also assumes the full responsibility of servicing the Working Party on Land Administration. See paragraphs 67 to 79 above.

V.46 *One P-3, subprogramme 9, Industrial restructuring and enterprise development (ibid., para. 20.62).* The Advisory Committee notes from the supplementary information that this post is requested to assist in activities related to legal and commercial practices in knowledge-based industries and enterprise development. **The Committee points out that this subprogramme is newly established and it is of the view that it is too early to conclude that the potential workload would require an additional post at this stage. Therefore, the Committee does not recommend establishment of this post.**

V.47 *One General Service (Other level) post, programme support (ibid., para. 20.65).* The Advisory Committee observes that the request for this post reflects a conversion of outsourced services for a help desk assistant for the whole Commission previously provided by the International Computing Centre and funded under grants and contributions. In this connection, the Committee notes from the supplementary information provided to it that a decrease of $156,100 in requirements for grants and contributions includes a decrease related to the proposed conversion. **The Committee recognizes that this function is of a continuing nature, and it recommends the establishment of the post.**

V.48 *Reclassification from P-3 to P-4, Coordinating Unit for Operational Activities (ibid.).* See paragraphs 67 to 79 above.

V.49 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

V.50 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effects on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

V.51 The Advisory Committee notes a 9.8 per cent rate of growth ($54,600) in requirements for travel of staff of the Economic Commission for Europe for 2004-2005. The Committee recalls its observation in paragraph V.51 of its report on the proposed programme budget for the biennium 2002-2003[2] that resources for travel of staff in ECE had been budgeted at the maintenance level since the biennium 1998-1999, and it recommended that the Secretary-General review the resources allocated for travel of staff and make justified proposals for increases or redeployments as required. The Committee understands that the resources proposed by the Secretary-General under travel of staff take into account the Committee's recommendation.

V.52 With regard to the requested provision of $584,300 for furniture and equipment, which reflects a significant growth of $314,200, or 116.3 per cent, the Advisory Committee notes from the supplementary information that the increase is due primarily to the replacement of approximately 75 per cent of personal computers at ECE that will become obsolete in 2004-2005. **The Committee was not able to ascertain to what extent the requirements for replacement of office automation equipment in ECE take into account the fact that the Commission is provided with extensive computer-processing, telecommunication, data-storage and other specialized information technology services for which a provision of $1,091,500 is made under grants and contributions. The Committee points out also that the replacement of automation equipment should not fall heavily on any one biennium. The Committee recommends a reduction of $105,000 (before recosting) in the proposed estimates of $584,300 under furniture and equipment. The Committee trusts that the replacement would be made in full compliance with the established United Nations policy and standards on this matter.**

Presentation

V.53 **The Advisory Committee commends the Commission for its concise presentation of objectives, expected accomplishments and indicators of achievement**. The Committee is of the view that, compared with the other regional commissions, ECE has the most advanced capacity in terms of staff expertise to perform its functions. That internal expertise is supplemented by individual experts from member States. The Committee enquired as to whether the secretariat would be able to prepare both financial and programme performance reports on ECE at the end of the first year of the biennium and was assured that it was possible, although the results in terms of expected accomplishments and indicators of achievements might take more than one year to be measured and reported on.

V.54 **The Advisory Committee welcomes the review the Commission has undertaken of its meetings and publications programme**. In the course of its consideration of the budget it became apparent to the Committee that the secretariat of ECE took a strong initiative in making suggestions and discussing the meetings and publications programme with the representatives of the Commission. As a result, the number of publications would be decreased by 45 per cent and the number of meetings would be reduced by 20 per cent compared with the biennium 2002-2003.

V.55 The Advisory Committee recalls its recommendation in paragraph V.50 of its previous report[2] on the feasibility of setting up videoconferencing facilities for communication between the regional commissions and member States, or between different United Nations entities. Upon enquiry as to the response to its recommendation set out in table 20.29, the Committee was informed that a number of technical problems had been solved and that the matter would be pursued more actively. **The Committee welcomes this information and requests ECE to report on the progress achieved in the context of the next budget submission.**

Section 21
Economic and social development in Latin America and the Caribbean

Proposal submitted by the Secretary-General	$81,211,700
Revised appropriation for 2002-2003	$73,210,500
Projected extrabudgetary resources	$17,154,800

A summary of the proposal of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of the projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

V.56 *Reclassification of one Local level post to the P-3 level, subprogramme 2, Productive, technological and entrepreneurial development (A/58/6 (Sect. 21), para. 21.47).* The reclassification is requested as a result of appeals of the initial reclassification of Local level posts in Santiago carried out by the Office of Human Resources Management in 1995, the delay in reclassification being due to the protracted appeal process. **The Advisory Committee recalls that it had already recommended the requested reclassification in paragraph V.56 of its first report on the proposed programme budget for the biennium 2002-2003.[2] The Committee reiterates its recommendation and stresses the importance of the earliest possible implementation of the Administrative Tribunal's ruling on the reclassification.**

V.57 *One P-2, subprogramme 8, Environment and human settlements (ibid., para. 21.77).* The Advisory Committee notes that the functions of the post will include conducting studies and preparing research papers on sustainable development issues. **In the view of the Committee, the justification for the requested post appears to be rather vague; the functions of the post do not seem to be linked to any specific output or activity to be implemented under the subprogramme. Moreover, the preparation of studies and technical papers is also funded from other staff costs. In addition, experts and consultants provide input into the secretariat's capacity to prepare various studies, including those on sustainable development. Therefore, the Committee does not recommend the establishment of the post.**

V.58 *One P-4, subprogramme 11, Subregional activities in Mexico and Central America (ibid., para. 21.92).* This post is to serve as the focal point of the Economic Commission for Latin America and the Caribbean (ECLAC) for disaster evaluation and vulnerability reduction. The Advisory Committee was provided, upon enquiry, with additional information on the regional coordination of activities related to disaster evaluation and vulnerability reduction. **The Committee recommends the establishment of the post. It also invites ECLAC to strengthen its collaboration on this matter with UNDP and other United Nations funds and programmes at the regional and country levels. The Committee trusts that lessons learned in such collaboration will be shared with all United Nations entities involved in disaster evaluation and vulnerability reduction.**

V.59 *One P-4, computer systems officer, Electronic Information Section, under programme support (ibid., para. 21.100).* The Advisory Committee notes from the supplementary information that the functions of the post would include recommending standard methodologies and technologies for the development, documentation and certification of applications, and a standard software version control framework for applications and application certification for use in ECLAC; analysing, developing and certifying existing and new applications; according to ECLAC requirements, introducing and training the staff in the Section and other parties in the use of new technologies and methodologies; and supervising the quality and delivery of information technology services rendered to users in ECLAC, both internal and outsourced. **The Committee recognizes the need for stronger information and communication technology support in the regions, and recommends the establishment of the post.**

V.60 *Reclassification of one Field Service post to the P-4 level for a financial officer, Division of Administration (ibid.).* The reclassification is requested to strengthen the ability of the Financial Services Section to provide professional support deriving from the implementation of IMIS. In the course of its deliberations, the Advisory Committee was also informed that the proposal to reclassify the post was meant to regularize the situation whereby a Field Service post of a communications officer was assigned functions that did not fall into the category of a traditional field office function. However, the Committee notes from the supplementary information that, for example, both ECA and ESCWA have three Field Service posts each. **The Committee recalls also that it requested the Secretary-General to expedite the completion of the review of the Field Service category and to submit his comprehensive proposals in that regard to the General Assembly at its fifty-eighth session (see A/57/772, para. 80). Under the circumstances, the Committee is unable to recommend the reclassification at this time and requests that the report of the Secretary-General on the Field Service also deal with the Field Service posts of the regional commissions.**

V.61 *Reclassification of three Local level posts to the P-2 level under programme support (ibid.).* The reclassification is requested as a result of appeals of the initial reclassification of Local level posts in Santiago carried out by the Office of Human Resources Management in 1995, the delay in reclassification being due to the protracted appeal process. **The Advisory Committee recalls that it had already recommended the requested reclassifications in paragraph V.56 of its previous report.[2] The Committee reiterates its recommendation and stresses the importance of the earliest possible implementation of the Administrative Tribunal's ruling on the reclassifications.**

V.62 *Extrabudgetary D-1 post, Director, Latin American and Caribbean Institute for Economic and Social Planning (ibid., para. 21.13).* The Advisory Committee was informed, upon enquiry, that the Secretariat would seek the concurrence of the Committee to establish the post in accordance with section II, paragraph 2, of General Assembly resolution 35/217.

V.63 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

V.64 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effects on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

V.65 The Advisory Committee notes from the supplementary information provided to it that the requirements of $1,981,200 (before recosting) under other staff costs reflect an increase of $164,700, or 9.0 per cent, compared with the appropriation of $1,816,500 for the biennium 2002-2003. The Committee notes that the increase under other staff costs proposed for executive direction and management has been justified on the basis of past expenditure patterns; the increase proposed for subprogrammes has been justified in terms of a generic statement: "the increase reflects the projected requirements for the programme of work envisaged". **The Committee considers these justifications insufficient, and accordingly recommends that the amount requested under other staff costs be adjusted. The Committee recommends a reduction of $95,000 (before recosting) in the proposed requirements of $1,981,200.**

V.66 The Advisory Committee was not satisfied with the response in tab[illegible]1.35 to its recommendation on videoconferencing. Upon enquiry, the Committee was informed that progress had been made and that the Commission was actively engaged in seeking connectivity among its various locations. In this regard, the Committee was informed that the Washington office had already been connected to the headquarters in Santiago and that the regional duty station in Port-of-Spain would be connected to ECLAC headquarters by the end of 2003.

V.67 Proposed contractual services requirements in the amount of $1,353,300 (before recosting) would cover primarily contractual translation and editing, external printing and binding, public information production costs, specialized services, data-processing services, the hiring of part-time teachers and specialized training and retraining.

V.68 The Advisory Committee is of the view that possibilities should be explored to expand in-house capacity in translation and printing. The Committee also notes from the supplementary information provided to it that while most publications would be made available in both print and electronic formats, a number of publications would be offered in print only. **The Committee is of the view that it should be possible to explore more carefully end-user needs with a view to determining them more accurately and, if feasible, reducing the number of publications to be printed and increasing the number of publications to be disseminated electronically. The Committee also recommends that the Commission actively seek opportunities for workload-sharing (see para. V.16 above). Under the circumstances, the Committee recommends a reduction of $73,300 (before recosting), or about 5 per cent, in the amount of $1,353,300 proposed for contractual services.**

V.69 The Advisory Committee was informed, upon enquiry, that the estimated requirements of $6,554,300 (before recosting) under general operating expenses included a provision of $876,000 pertaining to the restoration of resources for the common services facility infrastructure. The Committee's position on the restoration of budget cuts is that it is incumbent upon the Secretary-General in each case to demonstrate the necessity of the restoration by presenting convincing evidence that a continuation of the current situation would result in negative consequences that were otherwise avoidable (see para. 47 above). **The Committee points out that no such evidence was provided for the restoration in section 21; therefore, it recommends that the estimated requirements of $6,554,300 be reduced by $876,000 (before recosting).**

V.70 With regard to the provision of $1,381,400 (before recosting) requested for furniture and equipment, which reflects significant growth of $487,300, or 54.5 per cent, compared with the appropriation of $894,100 for the biennium 2002-2003, the Advisory Committee notes from the supplementary information that the increase is due primarily to the extensive acquisition of equipment, including 373 personal computers. **The Committee points out that this replacement programme appears to be overly ambitious, as the Commission, under the regular budget, currently has 185 posts in the Professional category and above and 315 General Service and Local level posts, a certain number of which do not require a personal computer to perform their functions, for example, drivers and security officers. The Committee points out also that the replacement of automation equipment should be conducted in a manner that would exclude the excessive replacement of outdated equipment during any one biennium. The Committee recommends a reduction of $161,400 (before recosting) in the proposed requirements of $1,381,400.**

Other comments and recommendations

Presentation

V.71 **The Advisory Committee commends the Commission for improving the definition of expected accomplishments and indicators of achievement. The Committee also welcomes the action taken by the secretariat of the Commission and its intergovernmental machinery to streamline the work programme leading to a reduction in outputs from 655 in the biennium 2000-2001 to 567 in 2002-2003 to 521 in 2004-2005.**

Publications

V.72 As a result of the in-depth review of its publications programme, ECLAC has reduced the overall number of publications from 304 in the biennium 2002-2003 to 281 for the biennium 2004-2005, or by 7.5 per cent. The Advisory Committee recalls its observation in paragraph 72 of its previous report,[2] that it is essential for managers to demonstrate that each publication, recurrent or non-recurrent, is linked to the attainment of expected accomplishments. In the context of the logical framework of results-based budgeting,[3] expected accomplishments are the observable changes and benefits to users. The Committee notes in this regard that for subprogramme 1, Linkages with the global economy, regional integration and cooperation, table 21.10, indicators of achievement are stated in terms of the percentage of users rating publications as useful, or very useful and it is projected that for 2004-2005 the rating would be 50 per cent. It is estimated also that 25,000 web site users would download recurrent publications, compared with 17,000 during the biennium 2002-2003.

V.73 The above ratings appear to be low. The number of downloads could be a measure of the extent to which users want to access information on the publications, but it is not an accurate measure of how useful the publications have been to the users. The test of the utility of publications for subprogramme 1 should be the extent to which they have fulfilled the objective of the subprogramme, which is quite specific: to increase member States' awareness of the challenges and opportunities to strengthen linkage with the global economy, to promote agreements in the region and to promote harmonization of and convergence between existing agreements. A 45 per cent or even 50 per cent rating of usefulness of publications would not indicate the contribution the publications have made to the attainment of the objective stated.

V.74 **Accordingly, taking the above comments into consideration and without in any way minimizing the work already done, as indicated in the above paragraphs, the Advisory Committee recommends that a more rigorous impact analysis be made of the contribution of the large publications programme of the Commission to the attainment of the stated objectives and expected accomplishments, as called for in paragraphs 69 to 78 of the previous report of the Committee.**[2]

Section 22
Economic and social development in Western Asia

Proposal submitted by the Secretary-General	$53,699,700
Revised appropriation for 2002-2003	$49,842,800
Projected extrabudgetary resources	$1,400,000

A summary of the proposal of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of the projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

V.75 *Reclassification from P-4 to P-5, subprogramme 1, Integrated policies for the management of regional resources for sustainable development (A/58/6 (Sect. 22), para. 22.27).* See paragraphs 67 to 79 above.

V.76 *Reclassification of one Local level post to the P-2/1 level, subprogramme 2, Integrated social policies (ibid., para. 22.31).* **The Advisory Committee recalls that it had recommended the reclassification in the context of its review of the proposed programme budget for the biennium 2002-2003.**[2] **The Committee reiterates its recommendation.**

V.77 *Reclassification from P-4 to P-5, subprogramme 4, Regional integration and responding to globalization (ibid., para. 22.39).* See paragraphs 67 to 79 above.

V.78 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

V.79 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effects on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

V.80 Requirements for other staff costs under programme support include a provision of $237,100 for general temporary assistance for maintaining a 24-hour security communications centre. The Advisory Committee expressed the view that the functions related to maintaining the communication and liaison centre appeared to be of a continuing nature, and the Economic and Social Commission for Western Asia has confirmed that the general temporary assistance provision for the centre was expected to be recurrent. **The Committee recommends that consideration be given to regularizing the situation, consistent with its comments in paragraph 85 above.**

V.81 Moreover, the Advisory Committee was informed, upon enquiry, that a provision of $210,600 under programme support would provide general temporary assistance for four telephone operators whose employment had been converted from contractual services for reasons of confidentiality, security and continuity of functions, in line with General Assembly resolution 55/232 of 23 December 2000 on outsourcing practices; this provision is expected to be recurrent. **In this connection, the Committee requests that the Commission consider expanding the use of modern communication technology with a view to obviating the need for telephone operators. The results should be reported in the next budget submission for ESCWA.**

V.82 The Advisory Committee observes from the supplementary information provided to it that a provision of $246,700 under programme support is made for external contractual editing, translation, printing and binding. The Committee trusts that the Commission will explore the possibility of expanding in-house capacity for translation and printing. The Committee also notes that most publications of the Commission for the biennium 2004-2005 will be made available in printed format only. **While not recommending any reduction, the Committee encourages ESCWA to explore the possibility of making as many of its publications as possible available in electronic format. The Committee also recommends that the Commission actively seek opportunities for workload-sharing (see para. V.16 above).**

V.83 The Advisory Committee was informed, upon enquiry, that the total estimated requirements of $3,751,600 (before recosting) under general operating expenses and supplies and equipment included a provision of $102,700 pertaining to the restoration of resources for the common services facility infrastructure. The

Committee's position on the restoration of budget cuts is that it is incumbent upon the Secretary-General in each case to demonstrate the necessity of the restoration by presenting convincing evidence that a continuation of the current situation would result in negative consequences that were otherwise avoidable (see para. 47 above). **The Committee points out that no such evidence was provided for the restoration in section 22; therefore, it recommends that the estimated requirements of $3,751,600 be reduced by $102,700 (before recosting).**

Publications

V.84 **The Advisory Committee welcomes the streamlined publications programme proposed for the biennium 2004-2005**. The Committee notes that the total number of publications of the Commission would decrease from 103 (53 recurrent and 50 non-recurrent) for the biennium 2002-2003 to 72 (44 recurrent and 28 non-recurrent) for the biennium 2004-2005 (see A/58/6, (Sect. 22), table 22.2, as corrected orally).

V.85 The Advisory Committee notes from paragraph 22.9 of the proposed programme budget that the rationalization of the number of outputs has resulted in a 15 per cent reduction, mostly in non-recurrent publications, in the 2002-2003 programme and that a further 12 per cent reduction is projected for 2004-2005 (the annex to section 22 lists the recurrent publications that will be discontinued in the biennium 2004-2005). The Committee points out that the combined reduction of 27 per cent in the number of outputs appears to be quite significant and could bring about a commensurate redistribution of resources among subprogrammes. **The Committee requests that future budget submissions provide detailed information on the redistribution of resources resulting from any significant rationalization of outputs.**

V.86 **The Advisory Committee encourages ESCWA to intensify its efforts to attract extrabudgetary resources.**

Section 23
Regular programme of technical cooperation

Proposal submitted by the Secretary-General	$44,197,100
Revised appropriation for 2002-2003	$42,871,500

V.87 The regular programme of technical cooperation complements technical assistance available to the developing countries from other sources of funds, and its scope and composition are based on the individual requests of Governments. The proposals at this stage indicate only major areas of activity and the Secretariat units responsible for their implementation. The three main types of technical cooperation activities are short-term advisory services, field projects and training.

V.88 **The Advisory Committee is of the view that the presentation of expected accomplishments and indicators of achievement should be considerably improved. For example, the Committee does not consider the words "internationally recognized standards" to be sufficiently specific in formulating expected accomplishments in the field of international and regional cooperation for development, human rights and humanitarian affairs. Performance**

measures, which are currently indicated in general terms only, such as the number of advisory services provided, training events and fellowships, or feedback on relevance or usefulness, should be replaced with measurable and quantifiable indicators of achievement.

V.89 **The Advisory Committee has observed over a number of years the lack of procedures for proper oversight, performance review, accountability and follow-up on the use of funds authorized by the General Assembly for the regular programme of technical cooperation. The Committee is of the view that the time has come for the Assembly to be informed of the results of projects implemented and advisory services provided through funding from the regular budget. Such information would be very helpful in ascertaining that regular budget funds are indeed benefiting recipient countries in the manner intended by the Assembly.**

V.90 **The Advisory Committee is also of the view that the time has come to review whether or not the resources and activities related to the regular programme of technical cooperation are programmed and utilized in the most efficient way. The Committee points out that since the funding of technical assistance activities was included in the regular budget in General Assembly resolution 58 (I) of 14 December 1946, the United Nations has developed and used a number of budgeting and programming mechanisms, including results-based budgeting. The Committee requests, therefore, that the Secretary-General review the methodology currently used for presenting the proposed programme budget for the regular programme of technical cooperation and reflect the results of the review in his next budget submission.**

V.91 **As part of its commentary on section 35 below, the Advisory Committee is recommending that the regular programme of technical cooperation, now in section 23, and the Development Account, now in section 35, be combined in future into one section with distinct parts. The information to be provided should utilize results-based budgeting. It should not comprise a mere listing of projects implemented or advisory services delivered, but should instead provide information on expected accomplishments and measurable benefits and achievements in assisting recipient countries. Such a presentation also facilitates the preparation of a programme performance report in this area. The Committee also expects that the stress placed by the General Assembly on using expertise from recipient countries would apply equally to the delivery of advisory services.**

V.92 **The Advisory Committee transmits the estimates under section 23 to the General Assembly for appropriate action.**

Part VI
Human rights and humanitarian affairs

Section 24
Human rights

Proposal submitted by the Secretary-General	$53,540,400
Revised appropriation for 2002-2003	$47,576,300
Projected extrabudgetary resources	$90,106,500

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

VI.1 The General Assembly, in its resolution 57/313 of 18 June 2003 on the management review of the Office of the United Nations High Commissioner for Human Rights, requested the Secretary-General to report to it on measures pertaining to the administration and management of the Office of the High Commissioner and decided to revert to the issue at its fifty-eighth session. **The Advisory Committee recommends that the report of the Secretary-General to be submitted in response to the resolution contain a comprehensive analysis of the administrative and resource requirements necessary to implement the proposals contained therein. The report should be submitted early in the main part of the fifty-eighth session, and it should pay particular attention to overall management and should include an analysis of the role of the New York office and the related staffing requirements (see para. VI.15 of the first report of the Advisory Committee on the proposed programme budget for the biennium 2002-2003[2] and para. 106 above). The Committee further recommends that action on proposals for posts under section 24 be deferred, pending consideration of that report.**

VI.2 **The budgetary reductions for section 24 that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

VI.3 **The budgetary reductions for section 24 that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

Travel

VI.4 The Advisory Committee was informed that for 2004-2005 the estimate for travel of staff amounted to $1.9 million (before recosting) under the regular budget, reflecting an increase of 20.9 per cent, as compared with the appropriation of $1.5 million for 2002-2003. In addition, under extrabudgetary resources, the estimates for travel of staff amounted to $7.3 million for 2004-2005. **The Committee has observed that travel funding often appears to be interchangeable between regular budget and extrabudgetary resources. In view of rapid advances in information and communication technology, the Committee sees no justification for increasing the travel provision under the regular budget and therefore recommends a reduction in resource growth of $325,000 (before recosting).**

Other comments and recommendations

Presentation

VI.5 The Advisory Committee recalls its comments regarding the quality of the expected accomplishments and measurements of achievement (ibid., para. VI.10). **The Committee welcomes the improvement made in the presentation of the estimates for 2004-2005, in particular the explanations given on the use of extrabudgetary resources in the narratives of the subprogrammes and on the estimates of the number of meetings and reports given for subprogrammes 1 and 2. In future, for all the relevant subprogrammes, the aggregate number of meetings and reports, including publications, should be provided.**

Other matters

VI.6 Subprogramme 2, Supporting human rights bodies and organs, is under the responsibility of the Support Services Branch. Currently, the Branch has 38 regular budget posts (24 Professional and 14 General Service) and 13 extrabudgetary posts (12 Professional and 1 General Service) (A/58/6 (Sect. 24), paras. 24.44 and 24. 45). The proposed regular budget for 2004-2005 amounts to $7.9 million (before recosting), as compared with extrabudgetary resources projected at $23.2 million for 2004-2005 (ibid., table 24.14). The total number of meetings to be serviced is about 1,616 for the biennium, and about 725 reports and publications would be produced. This is one of the areas for which the Advisory Committee has in the past called for intensive review in terms of reporting, publications and meetings. **The Committee trusts that the rationalization called for in General Assembly resolution 57/300 will be implemented in a timely manner.**

VI.7 Under the programme of work, about 1,133 reports and more than 2,210 references to servicing meetings are mentioned; however, the Advisory Committee notes that no explanation is provided about the trend in these activities. Furthermore, the large number of reports and the work of the special rapporteurs and their outputs (see ibid., para. 24.38, for example) show the potential for extensive duplication of efforts and the collection of information already available elsewhere in the Secretariat and the rest of the United Nations system. In a related matter, the Committee notes that the Office of Internal Oversight Services found considerable inefficiencies in the outputs of the treaty bodies; numerous documents are submitted in the name of the Secretary-General, the High Commissioner, special rapporteurs and independent experts or as notes by the Secretariat to the different organs on the same subject. The Office found, for example, that out of a sample of 183 special documents some 70 (or 38 per cent) could be considered thematically overlapping or duplicative (A/57/488, para. 9).

VI.8 The Advisory Committee recalls its comments in paragraphs VI.7 to VI.9 of its previous report.[2] In this connection, the Committee was informed that the Commission on Human Rights had not considered the work programme included in the proposed programme budget for 2004-2005. The Committee was informed that it was the practice of the Commission on Human Rights to review the human rights programme contained in the medium-term plan. **The Committee considers this a serious weakness. It cautions that unless the concerns that have been expressed so far are attended to, the efficient implementation of human rights activities will not be realized regardless of the amount of resources approved under the regular budget and provided by the donor community under extrabudgetary resources.**

VI.9 **In view of the frequent call for specialized bodies to review the work programme of their respective entities, the General Assembly may wish to invite the Economic and Social Council to request the Commission on Human Rights to be more actively involved in reviewing the programme of work, the priorities and the focus of its bodies, as well as to consider more actively the question of setting priorities and determining focus in the implementation of human rights activities. In this regard, the Advisory Committee reiterates its views as indicated in paragraph VI.8 to VI.10 of its previous report.**[2]

VI.10 **In the meantime, the Advisory Committee encourages the High Commissioner to redouble his efforts, subject to decisions of the General Assembly, including the relevant provisions of resolutions 57/300 and 57/283 B, to streamline the documentation and to reduce the number of pages in reports produced without compromising their quality and transparency.**

VI.11 The Office of Internal Oversight Services has commented that the prevalence of project personnel has had an impact on the geographical distribution of OHCHR staff and consultants in that it is skewed towards certain regions (A/57/488, para. 50). The Committee shares the view of the Office that the High Commissioner should pay closer attention to this problem.

Section 25
Protection of and assistance to refugees

Proposal submitted by the Secretary-General	$49,282,100
Revised appropriation for 2002-2003	$45,956,000
Projected extrabudgetary resources	$1,849,549,000

VI.12 The regular budget resources proposed for 2004-2005 for administrative expenditures of the Office of the United Nations High Commissioner for Refugees include an increase of $2.5 million, or 5.4 per cent, over the revised appropriation for 2002-2003. The regular budget's share of the total projected resources of UNHCR for 2004-2005 amounts to 2.6 per cent (A/58/6 (Sect. 25), para. 25.10). For

2002-2003, the contribution of the regular budget to the administrative expenditures of UNHCR included an increase of $2.0 million, or 5.1 per cent, compared with the appropriation of $38.8 million for the biennium 2000-2001 (see para. VI.23 of the first report of the Advisory Committee on the proposed programme budget for the biennium 2002-2003[2]). The regular budget's share of the total projected resources of UNHCR for 2002-2003 was about 2.0 per cent (see A/56/6 (Sect. 23), para. 23.5).

VI.13 The Advisory Committee recalls that, with regard to the proposed programme budget for 2002-2003, the General Assembly deeply regretted that some amounts previously funded under posts, other staff costs, general operating expenses and supplies and materials were presented in a less-transparent manner under grants and contributions (resolution 56/253, para. 133). Moreover, in the same resolution (para. 136), the Assembly requested the Secretary-General to present estimates for 2004-2005 by object of expenditure other than grants and contributions; **this has not been done.**

VI.14 **Bearing in mind its comments in paragraphs VI.12 and VI.13 above, the Advisory Committee recommends that the contribution from the regular budget to the administrative expenditures of UNHCR be reduced by one half of the resource growth, or $1,250,000 (before recosting). Moreover, if accepted, this would be the second increase (see para. VI.12 above and para. VI.26 of its previous report[2]). The Committee expects no further requests for increases in the near term.**

Section 26
Palestine refugees

Proposal submitted by the Secretary-General	$32,585,100
Revised appropriation for 2002-2003	$28,278,700
Projected extrabudgetary resources	$796,009,300

VI.15 The increase in the regular budget resources for the biennium 2004-2005 for the United Nations Relief and Works Agency for Palestine Refugees in the Near East reflects the delayed impact of seven new international posts approved by the General Assembly for the biennium 2002-2003 (A/58/6 (Sect. 26), para. 26.16).

VI.16 **The Advisory Committee welcomes the presentation of expected accomplishments and indicators of achievement for the biennium 2004-2005 shown in table 26.1.**

Section 27
Humanitarian assistance

Proposal submitted by the Secretary-General	$22,905,300
Revised appropriation for 2002-2003	$20,577,400
Projected extrabudgetary resources	$168,958,100

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

VI.17 The Advisory Committee notes that five new Professional posts are requested for the Office for the Coordination of Humanitarian Affairs with the justification of improving the balance between regular budget and extrabudgetary posts in response to General Assembly resolution 57/153 of 16 December 2002, in which the Assembly emphasized that the Office should benefit from adequate and more predictable funding (A/58/6 (Sect. 27), para. 27.8). **The Committee believes that the pursuit of adequate and predictable funding should not imply an automatic request for additional posts under the regular budget. This is not a compelling reason to establish new posts under the regular budget, particularly when the number of extrabudgetary posts is projected to increase by 57 for 2004-2005 (see ibid., table 27.5). The Committee believes that if the organizational structure of the offices in New York and Geneva were to be streamlined, the attendant efficiencies could release staff resources for redeployment to priority areas.**

VI.18 *One P-5, Deputy Chief, Humanitarian Emergency Branch, New York (ibid., para. 27.36).* The Advisory Committee notes that currently there are four P-5 posts in the Branch (2 under the regular budget and 2 from extrabudgetary resources, as shown in the organization chart). **Under the circumstances, the Committee sees no justification for approving another P-5 post under the regular budget and recommends against its acceptance.**

VI.19 *One P-4 and one P-3, Response Coordination Branch, Geneva (ibid., para. 27.36).* **Requests for additional posts should be explained with reference to increased workload and in accordance with the criteria set out in paragraphs 80 to 83 above. This has not been done. The Advisory Committee notes that the number of extrabudgetary posts is projected to increase by 31 in 2004-2005 under subprogramme 2, Complex emergencies (see ibid., table 27.12). In the opinion of the Committee, the functions of these posts should be provided through redeployment.**

VI.20 *Two P-3 posts, Field Coordination Support Section, subprogramme 4, Disaster relief (ibid., para. 27.49).* Table 27.16 shows that subprogramme 4 has currently 9 posts under the regular budget and 34 under extrabudgetary resources. **For reasons similar to those expressed in paragraphs VI.19 above, the Advisory Committee does not recommend approval of these two posts.**

VI.21 *Reclassification of a D-2 post to Assistant Secretary-General, Deputy Emergency Relief Coordinator (ibid., para. 27.19).* **In paragraph VI.51 of its first report on the proposed programme budget for the biennium 2002-2003,[2] the Advisory Committee recommended against approval of this request, stating that no convincing justification had been provided as to why the coordination of international action in providing humanitarian assistance could not be successfully continued at the D-2 level. The Committee maintains its recommendation against the reclassification of this post.**

VI.22 **The budgetary reductions for section 27 that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

VI.23 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications and information and communication technology is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendation on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

VI.24 The Advisory Committee was informed that for 2004-2005 the estimate for travel of staff amounted to $1.2 million (before recosting) under the regular budget, reflecting resource growth of about 6.9 per cent as compared with the appropriation of $1.1 million for 2002-2003. In addition, under extrabudgetary resources, for 2004-2005 the estimates for travel amounted to $8.7 million. **The Committee has observed that travel funding often appears to be interchangeable between regular and extrabudgetary resources. In view of rapid advances in information and communication technology, the Committee sees no justification for increasing the travel provision under the regular budget, and therefore recommends a reduction in resource growth of $75,000 (before recosting).**

Presentation

VI.25 The Advisory Committee notes that the staffing structure shown in table 27.5 and in the organization chart did not include National Officers and Local level posts in the field offices. Upon request, the Committee was provided with a list of country and regional support field offices and staff comprising 141 locally recruited Professional staff (L category), 87 National Officers and 343 Local level posts. **The Committee requests that in future the presentation be more transparent. The Committee was not convinced of the need for the maintenance of such a large number of field offices and requests that in future budget presentations their continuation be justified.**

Part VII
Public information

Section 28
Public information

Proposal submitted by the Secretary-General	$158,802,000
Revised appropriation for 2002-2003	$147,107,600
Projected extrabudgetary resources	$6,155,500

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

VII.1 *Reclassification from G-6 to G-7, photo lab supervisor (A/58/6 (Sect. 28), para. 28.56).* The reclassification of one General Service post to the Principal level for the photo lab supervisor is proposed under subprogramme 2, News services, in order to enhance quality control of United Nations photographs. **For the reasons given in the supplementary information provided to it, the Advisory Committee recommends approval of the reclassification.**

VII.2 *Reclassification from G-6 to G-7, Executive Office (ibid., para. 28.73).* Under programme support, the reclassification of one General Service post to the Principal level is proposed in the Executive Office of the Department of Public Information. **The additional responsibilities referred to in the supplementary information provided to the Advisory Committee do not appear to warrant the reclassification. The Committee therefore recommends against approval of the reclassification.**

VII.3 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Recommendations on non-post resources

VII.4 A general discussion of a number of objects of expenditure, including other staff costs, temporary assistance and consultants, training, travel, publications, information and communication technology, furniture and equipment and general operating expenses, is contained in chapter I above. **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11.**

VII.5 Upon enquiry, the Advisory Committee was informed that the estimates for section 28 included an amount of $1,656,600 (before recosting), reflecting the restoration of resources pertaining to the common services facility infrastructure, which had been reduced by the General Assembly when it approved the proposed programme budget for the biennium 2002-2003 (see paras. 46 and 47 above). The general opinion of the Committee on such proposed restorations is that it is incumbent upon the Secretary-General in each case to demonstrate the necessity of the restoration by presenting convincing evidence that a continuation of the current situation would result in negative consequences that were otherwise avoidable (see para. 47 above).

VII.6 Little or no explanation or justification was provided for the requested restorations. Indeed, the information provided to the Advisory Committee at its request was very general in nature and did not distinguish between amounts specifically linked to the restoration and requests for additional resources. **Under the circumstances, the Committee does not recommend the restoration of the following amounts (before recosting): $144,200 for furniture and equipment under United Nations information centres; $289,800 for contractual services and $28,500 for supplies and materials under news services; $242,300 for contractual services under library services; $105,200 for supplies and materials under outreach services; and $60,400 for general operating expenses under programme support.**

VII.7 **The Advisory Committee recommends approval of the proposed increase of $120,400 (before recosting) for contractual services relating to the production of the Arabic, Chinese, Russian and Spanish editions of the *UN Chronicle* under outreach services.**

VII.8 The provision for travel of staff includes resource growth of $78,700 (before recosting). Of that amount, $11,300 relates to the United Nations information centres. **Given advances in information technology and considering the information provided to the Committee that a growing number of centres are using videoconferencing in their outreach activities (see para. VII.15 of the first report of the Advisory Committee on the proposed programme budget for the biennium 2002-2003[2]), it would appear to the Committee that less staff travel should be required. The Committee therefore recommends that the amount for staff travel under United Nations information centres be maintained at the present level (before recosting). This would entail a reduction of $11,300 in the estimates for 2004-2005. However, the Committee recommends approval of the increase of $15,600 for travel of staff of the Office of the Spokesman of the Secretary-General and of the non-recurrent provision of $54,200 under special conferences for travel of staff to cover regional preparatory meetings.**

Other comments and recommendations

Presentation

VII.9. **The Advisory Committee commends the Department of Public Information for the presentation of section 28 of the proposed programme budget and for the efforts made to present estimates by programme, as recommended by the Committee in paragraph VII.6 of its first report on the proposed programme budget for the biennium 2000-2001.[6]**

Other matters

VII.10 The Advisory Committee notes that, in accordance with paragraph 15 of General Assembly resolution 57/300, the network of United Nations information centres is to be rationalized around regional hubs and that plans were being developed "to consolidate public information outreach to the member States of the European Union through the creation of a Western European information hub and closing of the nine centres located in those States" (A/58/6 (Sect. 28), para. 28.31).

VII.11 The Advisory Committee was informed that staff and financial resources released as a result of the consolidation were to be redeployed to priority activities, such as the United Nations web site and information centres in developing countries. No definitive information is available on the resources to be released and how they would be deployed; however, the Committee notes that one P-4 and six Local level posts are to be redeployed in 2004-2005 from the United Nations information centres to the News and Media Division to strengthen the multilingual capacity of the United Nations web site (see ibid., paras. 28.44 and 28.45). **The Committee emphasizes the importance of continued efforts to achieve parity among the languages on the web site and supports the redeployment of resources to that end.**

VII.12 The Advisory Committee recalls paragraph VII.15 of its first report on the proposed programme budget for the biennium 2002-2003,[2] in which the status of technological innovation in the information centres is discussed. **The Committee is of the view that with the increased possibility for transferring information to and from the information centres electronically, the time has come for a review to be undertaken to determine the long-term impact of the use of the Internet in the centres and the continued need for libraries in some of those centres.**

VII.13 **The Advisory Committee commends the Department of Public Information for the success of United Nations Radio**, as described in the report of the Secretary-General on implementation of the pilot project to develop an international radio broadcasting capacity for the United Nations (A/AC.198/2003/4).

VII.14 The Advisory Committee discussed with representatives of the Secretary-General the systematic evaluation of the impact and cost-effectiveness of all of the activities of the Department of Public Information, which is in progress in accordance with paragraph 17 of General Assembly resolution 57/300 and action 7 of the report of the Secretary-General entitled "Strengthening the United Nations: an agenda for further change" (A/57/387 and Corr.1). **The Committee considers the exercise important and points out that such an evaluation could serve as a management tool that might be used in other departments.**

VII.15 The Advisory Committee was briefed on the activities of the United Nations Communications Group, which was established in January 2002 in accordance with the decision of the United Nations System Chief Executives Board for Coordination (CEB) that coordination in the field of information should be pursued through more informal and flexible mechanisms.

VII.16 The Advisory Committee notes that the outward redeployment of six posts (1 P-5, 3 P-3, 1 P-2 and 1 General Service) is proposed (see A/58/6 (Sect. 28), para. 28.13) in accordance with paragraph 16 of General Assembly resolution 57/300, by which the Assembly decided to consider, in the context of the proposed programme budget for the biennium 2004-2005, the proposal of the Secretary-General to transfer the functions and resources of the Cartographic Section from the Department of Public Information to the Department of Peacekeeping Operations (see A/57/387 and Corr.1, action 6). The Committee has commented on this matter in the context of its consideration of section 5, Peacekeeping operations, of the proposed programme budget.

Part VIII
Common support services

Section 29
Management and central support services

Proposal submitted by the Secretary-General	$506,129,100
Revised appropriation for 2002-2003	$451,342,100
Projected extrabudgetary resources	$140,471,700

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

General comments on part VIII

VIII.1 Part VIII covers only section 29, Management and central support services. It is divided into seven subsections, which are dealt with separately in the paragraphs below. However, the Advisory Committee has a number of comments to make relevant to section 29 as a whole.

Budgetary reductions

VIII.2 **The budgetary reductions for section 29 that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates and on non-post objects of expenditure, including the consequential effect on furniture and equipment and general operating expenses of the Committee's recommendations on posts, as well as its recommendations on the replacement cycle for computers, are shown (at 2004-2005 rates) in table 11 above.**

Review of activities

VIII.3 The Department of Management at Headquarters provides strategic policy guidance and support to United Nations entities at Headquarters and offices away from Headquarters. The Advisory Committee notes from paragraph 19 of the Introduction to the proposed programme budget for 2004-2005 (A/58/6 (Introduction)) that the Department has reviewed activities under section 29 in the context of regulation 5.6 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. The Committee further notes that the Department provides services in support of substantive departments and has identified improvements in 15 processes that would limit input requirements and enhance the effectiveness of support services. **The Committee points out that the administrative and budgetary impact of these actions needs to be clearly identified in the proposed programme budget.**

Travel

VIII.4 The estimate for travel of staff amounts to $1,941,800 (before recosting), an increase of 39.2 per cent as compared with the 2002-2003 appropriation. Under extrabudgetary resources, the estimate for travel of staff amounts to $2.2 million, or 30.0 per cent higher than the estimate for 2002-2003. **The travel estimates in some cases appear to be excessive in that they do not take into account past investment in information and communication technology infrastructure, including that for videoconferencing and for providing ready access to online databases. The Advisory Committee has reflected this opinion in several of the subsections below. The Committee recommends a reduction of $547,600 (before recosting) to bring the travel provision for 2004-2005 to the level of the appropriation for 2002-2003, or $1,394,200.**

Information and communication technologies

VIII.5 The supplementary information provided to the Advisory Committee shows that the estimate for information technology for activities programmed under section 29 amounts to $104.4 million for the biennium 2004-2005 (before recosting), as compared with $85.7 million for the biennium 2002-2003. The proposed resource growth of $18.7 million includes $10.4 million for restoration of reductions made in information technology resources in 2002-2003 and $8.3 million relating to the implementation of the information and communication strategy in 2004-2005 for section 29.

VIII.6 **Although the Secretariat could have done more to document the need for the restoration of funds and the expansion of services (see para. 111 above), the Advisory Committee nevertheless maintains its opinion that adequate investment in information and communication technology is necessary in the long term to promote efficiency and that it should eventually lead to better management and financial savings. For that reason, the Committee recommends acceptance of these estimates. The Committee was informed that of the $104 million requested for information technology under section 29, approximately $39.4 million is for the cost of staff time devoted to information technology, based on the results of a questionnaire sent to programme managers. The Committee requests that a more objective method of quantification be developed. Furthermore, the Committee recommends that in future budget submissions, all proposals for information technology projects, both new and current, should be submitted with clear time frames for their completion and with projections of efficiency gains.**

VIII.7 Estimated resources for the firewall systems and operation of the Official Document System (ODS) amount to $1.5 million and are included under the general operating expenses of the Information Technology Services Division (see A/AC.198/2003/2, annex II, para. 5). **In view of the proposals in the report of the**

Secretary-General on the information and communication strategy (A/57/620) concerning knowledge-sharing with stakeholders both internal and external to the Organization, and taking into account the effect this would have on the volume of material physically transferred to Member States and others, the Committee recommends that, since material on ODS is in the public domain, the public should have access to the system free of charge. Fees should be charged only to those users that charge the United Nations fees to access their databases.

General operating expenses, furniture and equipment and supplies and materials

VIII.8 The proposed programme budget for 2004-2005 includes an amount of $13.4 million (before recosting) for the restoration of resources pertaining to the common services facility infrastructure (see para. 46 above). The Advisory Committee was informed that the amount of $13.4 million included $7.7 million (before recosting) under section 29 for the restoration of resources for general operating expenses, furniture and equipment and supplies and materials. The Committee found no convincing evidence to demonstrate the necessity of restoring the amount of $7.7 million; however it recognizes the need to maintain adequate services and avoid more costly investments over the long term. **As indicated in the table below, it therefore recommends acceptance of $3.7 million (before recosting) and a reduction of $4.0 million in the amount proposed for restoration under section 29.**

Restoration of resources for common services facility infrastructure for section 29 (before recosting)
(Thousands of United States dollars)

Section 29. Management and central support services	*2004-2005 estimate*	*Proposed reduction*	*Balance*
D. Office of Central Support Services	5 301.7	3 200.0	2 101.7
E. Administration, Geneva	2 000.0	800.0	1 200.0
F. Administration, Vienna	300.0		300.0
G. Administration, Nairobi	100.0		100.0
Total	**7 701.7**	**4 000.0**	**3 701.7**

Section 29A
Office of the Under-Secretary-General for Management

Proposal submitted by the Secretary-General	$9,698,300
Revised appropriation for 2002-2003	$9,789,700
Projected extrabudgetary resources	$3,405,300

Recommendations on posts

VIII.9 *One P-4, administration of justice (A/58/6 (Sect. 29A), para. 29A.17).* The Advisory Committee recalls that in paragraph VIII.5 of its first report on the proposed programme budget for the biennium 2002-2003[2] it had recommended, and the General Assembly had approved, the establishment of a P-4 post for a legal officer to strengthen support for the Panel of Counsel in the areas of legal advice and representation of staff members, in line with measures to strengthen the internal system of justice. The post was deployed to the new office of the Ombudsman. The Committee notes that the proposed P-4 for a legal officer would service the Joint Disciplinary Committee, the Panel of Counsel and the Joint Appeals Board, which also deals with appeals originating in UNDP, UNICEF, the regional commissions and smaller United Nations offices (see A/58/6 (Sect. 29A), paras. 29A.17 and 29A.21). **The Committee recalls that the Office of Internal Oversight Services is conducting a review, the result of which could streamline administration and justice activities in the Secretariat (see A/57/736, paras. 6-7, and General Assembly resolution 57/307, paras. 8-9). The Committee is therefore of the view that a case has been made for the additional P-4 post. Should there be a backlog in the processing of appeals, it should be addressed through the use of general temporary assistance resources.**

VIII.10 *One General Service (Other level) post, immediate office of the Under-Secretary-General for Management (ibid., para. 29A.9).* **The Advisory Committee notes the reasons given for the request, but in view of its comments in paragraphs 61 and 62 above, it does not recommend the establishment of this post.**

VIII.11 *Reclassification of a P-4 to P-5, Executive Office, Department of Management (ibid., para. 29A.4).* **The position of the Advisory Committee on the reclassification of posts is explained in paragraphs 73 to 79 above.**

VIII.12 The comments of the Advisory Committee on proposals to transfer the secretariat of the Fifth Committee to the Department for General Assembly and Conference Management appear in section 2, General Assembly affairs and conference services.

Other comments and recommendations

Presentation

VIII.13 The objectives for the biennium, expected accomplishments, indicators of achievement and performance measures for three budget components of the Office of the Under-Secretary-General (executive direction and management, management services and administration of justice) are shown in tables 29A.5, 29A.8 and 29A.10 of the proposed programme budget. **If Member States are to focus on results rather than inputs, then those results must be clearly identified. The Advisory Committee observes that this is not yet the case. The structure of resource allocation is not based on outputs and results. For management services, the Committee believes that there is a need to study the best way for the Management Policy Office and the Oversight Support Unit to provide those services to the Secretariat (see ibid., paras. 29A.10 to 29A.12 and 29A.14 (c) (ii) and (iii)). The Committee expects that in future a list of projects and time frames for implementing them will be provided.**

Other matters

VIII.14 **The Management Policy Office and the Oversight Support Unit provide management services within the Department of Management. The Advisory Committee recognizes the importance of the Oversight Support Unit. An estimated $2.4 million would cover the cost of nine posts under the regular budget (7 in the Management Policy Office and 2 in the Oversight Support Unit) (ibid., para. 29A.15). As regards the provision of management services, the Committee believes that the respective roles of the Management Policy Office and of the Office of Internal Oversight Services should be clarified; their functions should be complementary and not duplicative.**

VIII.15 **The Advisory Committee considered the report on progress and impact assessment of management improvement measures (A/58/70) and concluded that it did not meet its stated objectives of providing a systematic account of the progress achieved as a result of management improvement measures and the obstacles encountered in that effort. In paragraphs 14 to 18 above, the Committee has commented on the need to urgently address the lack of effective mechanisms to monitor, evaluate and measure results and the impact of the programmes and activities of the United Nations.**

Section 29B
Office of Programme Planning, Budget and Accounts

Proposal submitted by the Secretary-General	$28,343,900
Revised appropriation for 2002-2003	$26,328,500
Projected extrabudgetary resources	$36,033,500

Recommendation on posts

VIII.16 *One P-4 financial management officer, Office of the Controller (A/58/6 (Sect. 29B), para. 29B.17).* **For the reasons given in the budget estimates, the Advisory Committee recommends approval of this post.**

VIII.17 *One General Service (Other level) post, Insurance and Disbursement Service, Accounts Division (ibid., para. 29B.23).* **The Advisory Committee recommends that the functions of this post be met through the redeployment of posts authorized for management and central support services in the programme budget for the biennium 2002-2003.**

VIII.18 *One P-4 budget officer, Programme Planning and Budget Division (ibid., para. 29B.25).* This post is to deal with assignments associated with special political missions. **The Advisory Committee recommends against approval of this post, as its functions can be carried out with the resources currently available in the Office of Programme Planning, Budget and Accounts.**

VIII.19 *Reclassification of one D-1 to D-2, United Nations Treasurer (ibid., para. 29B.36).* **From the information provided, the Advisory Committee has concluded that the functions of the post of Treasurer have not significantly changed over the years; it therefore recommends against reclassification of this post to the D-2 level.**

VIII.20 *Reclassification of one P-5 to D-1, Chief, Common Services Unit, Programme Planning and Budget Division (ibid., para. 29B.25).* The Division has been restructured in order to eliminate logjams and to expedite the provision of material to the General Assembly, the Advisory Committee and the Committee for Programme and Coordination. Rather than requesting an additional D-1 post to head the section, it is proposing to meet this need by redeploying a P-5 and requesting reclassification of the post to the D-1 level. **The Advisory Committee recommends acceptance of this request.**

VIII.21 *Reclassification of one P-4 to P-5, Chief, Payroll Section (ibid., para. 29B.23), and one P-4 to P-5, Cashier (ibid., para. 29B.36).* **The position of the Advisory Committee is contained in paragraphs 73 to 79 above.**

VIII.22 It is proposed to convert four temporary posts (1 P-5, 1 P-4, 1 P-3 and 1 General Service) to established status in the IMIS Support Unit (ibid., para. 29B.9). The Advisory Committee recalls that in paragraph VIII.15 of its first report on the proposed programme budget for 2002-2003,[2] it requested that the need for the continuation of temporary regular budget posts be fully justified in the proposed programme budget. The Committee notes from the organization chart for the Office that the IMIS Support Unit staffing also includes four extrabudgetary posts (1 P-4, 1 P-3, 1 General Service (Principal level) and 1 General Service (Other level)) attached to the Office of the Controller.

VIII.23 Upon request, the Advisory Committee was informed that there were 45 Professional and 21 General Service posts (established and temporary) in IMIS support units under the regular budget. These include 35 Professional and 13 General Service posts at Headquarters (Office of Programme Planning, Budget and Accounts, Office of Human Resources Management and Office of Central Support Services), 4 Professional and 4 General Service posts in the regional commissions, 4 Professional posts and 1 General Service post at the United Nations Office at Geneva, 1 Professional post and 2 General Service posts at the United Nations Office at Vienna and 1 Professional post and 1 General Service post at the United Nations Office at Nairobi. The Committee notes that, in addition to the temporary IMIS posts in the Office of Programme Planning, Budget and Accounts, there is a Systems Control Unit in the Programme Planning and Budget Division.

VIII.24 The Advisory Committee was informed that, while help desk requirements for most systems were outsourced, given the need for IMIS operations to be handled by staff with intimate knowledge of United Nations operating procedures in the financial, human resources and procurement areas, help desk requirements could not effectively be met by outsourcing. The Committee was further informed that the existing temporary IMIS posts constituted the key in-house capability for maintaining IMIS, both centrally and in operating areas at Headquarters and other offices. Under the circumstances, the requirements are indispensable for the continued day-to-day operation of IMIS and thus should be provided on an established basis. **The Committee therefore recommends approval of the conversion.**

Section 29C
Office of Human Resources Management

Proposal submitted by the Secretary-General	$56,804,200
Revised appropriation for 2002-2003	$50,509.200
Projected extrabudgetary resources	$9,044,300

Recommendation on posts

VIII.25 Upon enquiry, the Advisory Committee was informed that currently, under the regular budget, there were two Professional and six General Service temporary posts in the IMIS support unit of the Office of Human Resources Management. **The Committee notes that the proposed conversion of temporary IMIS posts to established regular budget posts under section 29C is not explained in the document. The Committee's comments mentioned above for temporary IMIS posts in section 29B apply equally here; under the circumstances, the Committee recommends approval of the proposal to change their status from temporary to established regular budget posts.**

Other comments and recommendations

Presentation

VIII.26 The Advisory Committee recalls that in paragraph VIII.23 of its first report on the proposed programme budget for the biennium 2002-2003,[2] the Committee made a number of recommendations to improve the presentation of indicators of achievement in the budget presentation of the Office of Human Resources Management. The Committee welcomes the progress made in defining indicators and setting targets and notes that its recommendations in paragraph VIII.24 of its previous report will be implemented in the context of future annual reports on human resources management (see A/58/6 (Sect. 29C), table 29C.15). However, the Committee is not satisfied with the treatment of its observations and recommendations in paragraphs VIII.27 to VIII.30, VIII.34 and VIII.35 of its report. For example, the question of the capacity of the Office to monitor delegation of authority (see ibid., para. VIII.28), should have been addressed through the provision of a precise statement of the current capacity of the Office.

VIII.27 The budget components of the Office of Human Resources Management comprise executive direction and management and three subprogrammes under the programme of work, namely, operational services, organizational development services and medical services. The Advisory Committee notes that for each subprogramme a very large number of outputs have been listed (see A/58/6 (Sect. 29C), paras. 29C.22, 29C.29 and 29C.35). However, the listing of outputs does not enhance understanding of how they contribute to the attainment of the objectives and expected accomplishments for each of the subprogrammes. It is not clear to the Committee what method was used to estimate the requirements of executive direction and management and the three subprogrammes. **In the Committee's opinion, the presentation does not assist in understanding how the outputs determine the cost of the subprogrammes or how they would allow Member States to focus on strategy, policy and results.**

Other matters

Streamlining and automation

VIII.28 The Advisory Committee notes that the Office of Human Resources Management will continue to emphasize the streamlining and automation of activities in the areas of recruitment, placement, promotion and staff administration in order to reduce vacancies and increase transparency (see A/58/6 (Introduction), para. 19, and A/58/6 (Sect. 29C), para. 29C.20). **In the opinion of the Committee, these efforts appear to be very limited, and there is considerable room for automation of more processes and activities. These improvements should lead to quantifiable results and reduce, if not eliminate, the need for additional positions in the Office of Human Resources Management and in executive offices in other departments.**

VIII.29 **The Advisory Committee requested information on the Galaxy system and, taking into account the information received, it concludes that the full benefit from Galaxy has yet to be realized**. The Committee understands that the system has been overwhelmed with applications. In the report of the Secretary-General on progress and impact assessment of management improvement measures (A/58/70, para. 45), it is indicated that the Galaxy system had received over 155,000 applications during 2002 for some 600 vacancies posted. It is expected that there will be a five-fold increase in applications in 2003 compared with 2002. The Committee was informed that the system was not designed to receive such a large number of applications and that filters were being designed to speed up the review and appointment process. Currently, the Galaxy system is not being used for the recruitment of General Service staff, candidates from national competitive examinations, staff for peacekeeping missions or staff with contracts of less than one year. The Committee was informed that the total cost of developing and providing support for the Galaxy system for the period from 2001 to 2004 was estimated at about $6 million.

VIII.30 **Experience so far in using the Galaxy system shows that there was an inadequate analysis of tasks, scope and coverage of the system before the project was implemented. The Advisory Committee emphasizes that, unless Galaxy is modified to cover other areas and its current problems are resolved, its effectiveness will be compromised and the cost-effectiveness of its future use will be called into question.**

VIII.31 For the biennium 2004-2005, the Advisory Committee was informed that a provision of $477,700 (before recosting) under contractual services for operational services, reflecting an increase of $298,300, would cover costs associated with support of the Galaxy system and other electronic systems in operation in the Office of Human Resources Management ($378,300) and the advertising of vacant posts in the media ($99,400). **The Committee foresees a decreasing need to advertise vacant posts in the print media in the light of the large number of applications received in the Galaxy system, and it expects that the amount required to advertise vacant posts will be kept under review, with resources focused on those regions where use of the Internet is more limited.**

Training

VIII.32 The Advisory Committee was informed that provisions for training and staff development amounted to $17,777,500 (before recosting), reflecting an increase of $2 million, which would cover all requirements for the global Secretariat with the exception of language training at offices away from Headquarters, for which provision is made in the respective budget sections (table 8 above includes a centrally managed provision of $15,116,500 for training and $2,661,000 for language training under section 29C). Those resources are intended for programmes on leadership development and performance management ($5,324,100), human and financial resources management ($2,022,700), information technology ($3,150,900), substantive and technical skill development and career support ($4,618,800) and language and communication ($2,661,000).

VIII.33 Workload indicators for the training and staff development programmes provided to the Advisory Committee show that for the period from 2000 to 2005, a total of 133,246 participants will have been trained through the above-mentioned programmes. **From the information provided, the Committee believes that individual staff members may be receiving multiple training courses that may not be related to their areas of responsibility.** The Committee has made general remarks on this and other issues relating to training in paragraphs 95 and 96 above. It will revert to the subject in the context of its examination of the report of the Board of Auditors.

Administration of justice

VIII.34 During the biennium 2004-2005, the Office of Human Resources Management expects to achieve progress in its contribution to the system of administration of justice (see A/58/6 (Sect. 29C), para. 29C.6 (j)). The Advisory Committee is concerned that the study by the Office of Internal Oversight Services had not commenced by the time the Committee had examined the estimates (see A/57/736, paras. 6-7, and General Assembly resolution 57/307, paras. 7-8). **The Committee requests that the study be expedited.**

Delegation of authority

VIII.35 The Advisory Committee recalls its comments on weaknesses in the capacity of the Office of Human Resources Management to monitor delegated decision-making authority (see the first report of the Advisory Committee on the proposed programme budget for the biennium 2002-2003,[2] para. VIII.28, and A/57/469, para. 15). The Committee also recalls General Assembly resolution 57/305, section IV, and notes the observations of the Office of Internal Oversight Services on the subject (A/57/726, paras. 53-55).

VIII.36 The Advisory Committee notes that the Office of Human Resources Management plans to progressively delegate decision-making authority related to human resources management to the heads of departments and offices in conjunction with the development of a comprehensive monitoring system (see A/58/6 (Sect. 29C), paras.29C.6 (k) and 29C.17). Upon enquiry, the Committee was informed that the Office had a core of four staff to monitor and to assist in the exercise of delegated authority related to human resources management. The Committee notes from paragraph 29C.22 (b) (i) that the Office plans to conduct approximately 100 formal monitoring meetings with departments, offices and peacekeeping and special

missions during 2004-2005. In the current biennium, the Committee was informed that by the end of 2003, the Office expected to complete 12 missions and conduct an assessment of the implementation of human resources action plans every six months.

VIII.37 The Advisory Committee was unable to get a clear statement from the Secretariat regarding the nature and status of the development of a comprehensive monitoring system in the Office particularly as to the means to be employed (i.e., meetings, missions, hard-copy reports or electronic automated systems). The Committee recalls its comments in paragraph VIII.27 of its previous report[2] on the need to use monitoring methods that are efficient and streamlined so as to avoid excessive reporting and other costly bureaucratic processes. **The Committee recommends that in the next submission, the Secretariat be more specific about its capacity in terms of staff and non-staff resources available in the Office of Human Resources Management to perform this important function.**

Section 29D
Office of Central Support Services

Proposal submitted by the Secretary-General	$268,766,800
Revised appropriation for 2002-2003	$233,257,000
Projected extrabudgetary resources	$54,503,600

Recommendation on posts

VIII.38 *One P-3 to support increased demands for Internet infrastructure services (A/58/6 (Sect. 29D), para. 29D.23).* **The Advisory Committee recommends against acceptance of the post at this time in view of its comments on information and communication technology in paragraph 126 above. The Committee has recommended a thorough review of the staff and non-staff resources devoted to information and communication technology throughout the United Nations.**

VIII.39 *One P-3 for local area network (LAN) technical management and monitoring of the United Nations organizational web site (ibid.).* **The Advisory Committee recommends against acceptance of the post at this time for the reasons stated above.**

VIII.40 *One General Service (Other level) post to provide support for videoconferencing services (ibid.).* **The Advisory Committee recommends acceptance of the post in view of the need to expand use of videoconferencing facilities.**

VIII.41 *One P-2/1, archives and records management (ibid., para. 29D.43).* **The need for a digital archives specialist should be met through redeployment.**

VIII.42 *Reclassification from P-4 to P-5, Chief, Support Services Section (ibid., para. 29D.38).* The Advisory Committee's position on reclassification is contained in paragraphs 73 to 79 above.

VIII.43 *Reclassification of one General Service (Other level) post to the Principal level for archives and records management (ibid., para. 29D.43).* **The Advisory Committee recommends acceptance of the reclassification for the reasons given in the budget estimates.**

Recommendation on non-post resources

Travel of staff

VIII.44 Additional information provided to the Advisory Committee on non-post items of expenditure shows that the provision for travel of staff of the Office of Central Support Services increases from $557,100 in 2002-2003 to an estimated $1.1 million for 2004-2005. The Committee has commented in chapter I on the excessive amounts foreseen for travel of staff without adequate justification. The Committee was informed that part of the increase related to an increase in demand for the services of the Information Technology Services Division, including the implementation of the IMIS web platform and the consolidation of databases at all offices away from Headquarters. The Committee recalls, however, that offices away from Headquarters have their own IMIS support units. The Committee's recommendation on travel of staff is contained in paragraph VIII.4 above.

Facilities management

VIII.45 The Advisory Committee was informed that, under general operating expenses of the Facilities Management Division, an amount of $2.7 million has been requested for pouches, including an increase of $772,600 to meet the past expenditure pattern in pouch services, including expendable supplies for the United Nations diplomatic pouch for Headquarters and all overseas offices. **In view of the continued significant investment in information and communication technology and the potential for more electronic transmission of digitized information, the Committee recommends that the use of pouch services be thoroughly reviewed for the purpose of reducing their volume, thus realizing savings under this item. In this connection, the Advisory Committee recalls the provisions of paragraph 25 of General Assembly resolution 57/283 B, in which the Assembly welcomed the elimination of pouch or courier shipments of documents to duty stations in the light of their capability to download and print their own copies from ODS or other United Nations databases. Under the circumstances, the Committee recommends a provision of $1 million at 2002-2003 rates under section 29D, reflecting a reduction of $1.7 million at 2002-2003 rates.**

VIII.46 The Advisory Committee was informed that for 2004-2005 the amount of $95.2 million was budgeted for general operating expenses and furniture and equipment, reflecting an increase of $8.7 million, or 10.0 per cent, as compared with the appropriation of $86.5 million for 2002-2003. The resource growth includes a restoration of some $5.3 million (before recosting), mainly for items under rental and maintenance of premises, utilities and communications (including pouch services). **The Committee is not convinced that the need to restore the total amount of $5.3 million has been demonstrated and recommends a partial restoration of $2.1 million (before recosting) for general operating expenses and furniture and equipment; this would involve a reduction of $3.2 million (before recosting).**

Other comments and recommendations

Automation

VIII.47 The Advisory Committee was informed that within the Office of Central Support Services — a service provider — automation was being used not only as a tool to increase efficiency in its programme of work, but also as a means of enhancing accountability and transparency. The Committee was informed that performance measures for a number of units in the Office included client satisfaction as verified from surveys to be conducted electronically (see also paras. 19-25 above).

VIII.48 The Advisory Committee was briefed and provided with statistics on significant achievements of the units of the Office of Central Support Services during the current biennium. Accomplishments resulting in productivity gains, transparency and accountability included the requisition tracking system in the Procurement Division and the Facilities Management Division; the introduction of better methods to manage office space; the development of a comprehensive computerized database for non-expendable assets at Headquarters; the establishment of a standard tariff for reimbursement of costs to enable payments to be collected in advance of special events held in the United Nations complex, thus minimizing delinquent accounts (rising from 400 in 1999 to over 700 in 2002); the connection of 12 of the 15 peacekeeping missions to IMIS (3 remaining missions will be connected by year's end); the completion of the migration of the human resources portion of IMIS to the web; the implementation of rapid storage area networks; increased use of systems contracts in procurement; the electronic distribution of submissions to the Headquarters Committee on Contracts; and the use of further common services arrangements, including an inter-agency initiative on digitizing United Nations records and on negotiating airfares on a system-wide basis.

Information technology services

VIII.49 The Advisory Committee has made extensive comments on information and communication technology in Chapter I and in paragraphs VIII.5 to VIII.7 above.

VIII.50 Paragraph 29D.22 of the proposed programme budget provides a list of intended outputs that would be delivered by the Information Technology Services Division during the biennium 2004-2005. **The Advisory Committee requests that in future the additional information provided to it include an analysis of the growth in workload and the capacity required to address it. The mere provision of raw workload data (e.g., operations support to 20 routers, 235 local area networks, 6,200 personal computers, etc.) is not useful.**

VIII.51 The Advisory Committee recalls its comments on the high cost of computer maintenance in paragraph VIII.58 of its first report on the proposed programme budget for the biennium 2002-2003.[2] In this connection, the Committee notes the reply given in table 29D.20. For the biennium 2004-2005, the annual cost of maintenance per user varies from $550 (comprising basic charges for usage of LAN servers, software licences, help desk services and central software distribution) to a maximum of $1,200 (which includes the services of group and/or LAN administrators). The Committee was provided with a detailed table and additional information on standard costs for the replacement and maintenance of office automation equipment at Headquarters and at offices away from Headquarters for the last two bienniums. The Committee was informed that personal computers at Headquarters were replaced every three years and that a replacement cycle of four years would result in a reduction in the budget as a whole of $2.4 million (at 2004-2005 rates). **The Committee recommends that a replacement cycle for personal computers of four years, which is being applied in peacekeeping missions, also be applied at Headquarters and at offices away from Headquarters. Exceptions to this rule should be explained.**

Procurement

VIII.52 The Advisory Committee was informed that the provision of $124,700 for travel of staff for the Procurement Division included resource growth of $58,800, or 97.0 per cent, as compared with the appropriation of $60,600 for the biennium 2002-2003, which would permit the Division to conduct business seminars and train suppliers in developing countries and countries with economies in transition. The Committee notes that the indicators of achievement and performance measures listed in table 29D.12 do not include information on targets to be reached. **The Committee reiterates its view that in the next report on procurement reform, improvements should be reflected in this area.**

Section 29E
Administration, Geneva

Proposal submitted by the Secretary-General	$98,460,300
Revised appropriation for 2002-2003	$92,243,100
Projected extrabudgetary resources	$19,358,000

Recommendation on posts

VIII.53 *Reclassification from P-5 to D-1, Chief, Information and Communication Technology Service (A/58/6 (Sect. 29E), para. 29E.26).* **From the information provided during the hearings and in the documentation, the Advisory Committee is not convinced that the post of Chief of the Information and Communication Technology Service should be reclassified to the D-1 level at this time, and therefore recommends against its approval. In paragraph 126 above, the Committee has recommended a thorough review of the staff and non-staff resources devoted to ICT throughout the United Nations.**

Recommendations on non-post resources

Travel of staff

VIII.54 For the biennium 2004-2005, provisions for travel of staff are requested in the amount of $120,700 (before recosting) under the regular budget, an increase of 48.4 per cent compared with the revised appropriation for 2002-2003. **From the additional information provided to the Advisory Committee on travel of staff, the Committee believes that the proposed travel estimates for 2004-2005 are excessive and do not appear to take into account the availability and increased use of electronic communications, in particular videoconferences. The**

Committee's recommendation on travel for section 29 as a whole is contained in paragraph VIII.4 above.

Contractual services

VIII.55 The Advisory Committee was informed that the provision of $3.3 million (before recosting) for contractual services included an increase of $265,200 for additional requirements in the information technology area for a study on the consolidation, under the metropolitan area data network, of all servers hosted by the Information and Communication Technology Service as well as an audit of the network. **The Committee trusts that this will lead to operational efficiencies.**

General operating expenses

VIII.56 The Advisory Committee was informed that the amount of $25 million (before recosting) estimated for general operating expenses, supplies and materials and furniture equipment included resource growth of $2.5 million, or 11.3 per cent, as compared with the appropriation of $22.1 million for 2002-2003. The resource growth includes the restoration of some $2.0 million (before recosting). **The Committee is not convinced that the total amount should be restored and recommends a partial restoration of $1.2 million (before recosting), or a reduction of $800,000 (see para. VIII.8 above).**

Grants and contributions

VIII.57 The Advisory Committee was informed that the provision of $3.1 million under grants and contributions for the biennium for 2004-2005 included $590,000 for services to be performed by the International Computing Centre on behalf of the United Nations Office at Geneva, in particular for the establishment of a network-wide consolidated back-up and disaster recovery site at the Centre premises. **The Committee is of the view that the United Nations Office at Geneva should consider alternatives that may be more economical. For example, the United Nations-owned facilities in New York and Brindisi could be used for back-up and disaster recovery, with the objective of storing data in multiple secure places.**

Section 29F
Administration, Vienna

Proposal submitted by the Secretary-General	$27,847,900
Revised appropriation for 2002-2003	$25,998,300
Projected extrabudgetary resources	$3,222,000

Recommendation on posts

VIII.58 *One P-3 and one General Service (Other level) post, Information Technology Section (A/58/6 (Sect. 29F), para. 29F.29).* **The Advisory Committee recalls its observations in paragraph VIII.117 of its first report on the proposed programme budget for 2002-2003.[2] In this connection, the Committee finds the reply provided in table 29F.18 unsatisfactory. The Committee is not convinced that the need for two new posts for the Information Technology Service has been demonstrated, and therefore recommends against their approval. In paragraph 126 above, the Committee has recommended a thorough review of the staff and non-staff resources devoted to ICT throughout the United Nations.**

VIII.59 *Reclassification of two General Service (Other level) posts (1 to the P-2 level and another to the Principal level), Finance and Budget Section (ibid., para. 29F.18).* **The Advisory Committee recommends against these two reclassifications since the request has not been backed up by workload data despite the reference to increased volume in paragraph 29F.18.**

Presentation

VIII.60 The Advisory Committee notes the improvement in the presentation of objectives for the biennium, expected accomplishments, indicators of achievement and performance measures (ibid., tables 29F.11, 29F.13 and 29F.16). With regard to performance targets, the Committee notes that in several instances they would depend on surveys to be performed in 2003 and 2004. In this situation, no baselines have been established against which measurement could be made. The Committee understands that the Secretariat is to hold discussions on how to conduct these surveys with a view to establishing consistent procedures and standards allowing comparability among various entities of the Organization (see paras. 19-25 above).

Section 29G
Administration, Nairobi

Proposal submitted by the Secretary-General	$16,207,700
Revised appropriation for 2002-2003	$13,216,300
Projected extrabudgetary resources	$14,905,000

Recommendation on posts

VIII.61 *Seventeen new posts (A/58/6 (Sect. 29G), para. 29G.5).* The increase in resources under posts relates to the establishment of 17 posts under the regular budget to provide administrative services that would otherwise have to be financed from the extrabudgetary resources of UNEP and UN-Habitat. Seven posts (2 P-4 and 5 Local level) are deployed to the Budget and Financial Management Service, nine posts (2 P-4, 1 P-3, 1 P-2 and 5 Local level) are deployed to the Human Resources Management Service and one Local level post is deployed to the Office of the Chief of the Division (see ibid., paras. 29G.12, 29G.16 and 29G.20). **The Committee has no objection to the establishment of these 17 new posts under the regular**

budget to provide the administrative services that otherwise would have been financed from the extrabudgetary resources of UNEP and UN-Habitat.

VIII.62 *Reclassification from D-1 to D-2, Chief, Division of Administrative Services (ibid., para. 29G.12).* **The Advisory Committee recommends approval of the proposed reclassification of the post of the Chief of the Division of Administrative Services from D-1 to D-2, taking into account the directives of the General Assembly as set out in its resolutions 56/253 and 57/292 of 20 December 2002.**

Part IX
Internal oversight

Section 30
Internal oversight

Proposal submitted by the Secretary-General	$22,847,400
Revised appropriation for 2002-2003	$20,946,600
Projected extrabudgetary resources	$23,086,100

A summary of the proposals of the Secretary-General for regular budget posts by part is contained in annex I below and by section in table 5 of the Introduction to the budget. A summary of projected extrabudgetary posts by section and by category of expenditure is contained in annexes II and III below.

Recommendations on posts

IX.1 *One D-2, Director, Investigations Division (A/58/6 (Sect. 30), para. 30.35).* According to the supplementary information provided to the Advisory Committee, the new D-2 post is requested to handle increased responsibilities, such as having regular contact with national law enforcement authorities worldwide and dealing with complex, highly confidential and sensitive matters. **In the opinion of the Committee, effective performance in these areas does not depend entirely on rank. The Committee was not presented with any evidence of difficulties encountered because the official concerned was graded at the D-1 level, nor was any convincing justification provided in terms of increased workload for the creation of an additional post. Furthermore, the present structure of the Office provides that only one of the three divisions is headed by a D-2 (the Audit Division), and this official serves as a de facto deputy to the Under-Secretary-General. The Committee believes that this structure should be maintained and accordingly recommends against the establishment of the D-2 post.**

IX.2 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Other comments and recommendations

Presentation

IX.3 With regard to the application of results-based-budgeting techniques, the Advisory Committee recalls its comment in paragraph IX.5 of its first report on the proposed programme budget for the biennium 2002-2003[2] that the presentation of objectives, expected accomplishments and indicators of achievement for this section were precise, concise and attainable. **The Under-Secretary-General for Internal Oversight Services informed the Committee that work was continuing on refining mechanisms to measure performance. The Committee was also informed that consideration was being given to preparing a prototype of a new programme performance report. In this connection, the Committee is recommending that a single report be issued that would cover both programme and financial performance for the same period and that such reports should be available for use during the formulation and consideration of the proposed programme budget (see para. 18 above).**

IX.4 The organizational structure and post distribution for 2004-2005 is provided in the organization chart included in section 30 of the proposed programme budget. **In future, an explanation should be provided, either in the narratives or in the supplementary information, on the distribution of posts between Headquarters and the regional offices and between regular budget and extrabudgetary funding.**

Other comments

IX.5 The Advisory Committee was informed that the Office of Internal Oversight Services has, effective 1 July 2003, established two investigation offices, in Vienna and Nairobi, to serve as regional hubs for peacekeeping activities. The Committee recalls its comments in its report on the support account for peacekeeping operations (A/57/776, para. 66). **In future, proposals to restructure offices should be made in the context of the proposed programme budget on the basis of a thorough and transparent comparative cost analysis.** With regard to the comparative cost of establishing an investigative office in Geneva or Vienna, upon enquiry, the Committee was informed that the cost of preparing office space at the United Nations Office at Geneva would be approximately $250,000 but that there would be no cost for preparing an office in the United Nations complex in Vienna.

IX.6 The Advisory Committee notes the decrease in resources for the Monitoring, Evaluation and Consulting Division. **The Committee expresses concern about this. It recalls that in paragraph 20 of its resolution 54/244 of 23 December 1999, the General Assembly decided to evaluate and review, at its fifty-ninth session, the functions and reporting procedures of the Office of Internal Oversight Services. The Committee believes that this review will present an opportunity for the General Assembly to examine the structure and effectiveness of the Office, with particular reference to the worldwide allocation of its resources, both post and non-post.**

Part X
Jointly financed administrative activities and special expenses

Section 31
Jointly financed administrative activities

Proposal submitted by the Secretary-General (full budget)	$113,692,300
Revised appropriation for 2002-2003	$87,313,100
Projected extrabudgetary resources	$3,874,300
United Nations share, 2004-2005	$24,533,600
United Nations share, 2002-2003	$20,747,000

X.1 Provisions under this section are requested for three bodies of the United Nations that are financed on an inter-agency basis:

(a) International Civil Service Commission (ICSC) and its secretariat;

(b) Joint Inspection Unit and its secretariat;

(c) Secretariat of the United Nations Chief Executives Board for Coordination (CEB).

The section also covers requirements for the United Nations share of the costs of inter-organizational security measures.

International Civil Service Commission

Proposal submitted by the Secretary-General (full budget)	$14,351,800
Revised appropriation for 2002-2003	$12,988,300
United Nations share, 2004-2005	$5,443,900
United Nations share, 2002-2003	$4,857,600

Recommendations on posts

X.2 *Reclassification of one P-2 to P-3, Salaries and Allowances Division (A/58/6 (Sect. 31), para. 31.19).* **The Advisory Committee recommends acceptance of the reclassification, but the cost should be absorbed.**

X.3 *Reclassification of one General Service (Principal level) post to the P-2/1 level for the administrative officer (ibid.).* The administrative and human resources management responsibilities delegated to ICSC have increased following the progressive implementation of human resources reforms, requiring a level of expertise commensurate with responsibilities at the P-2/1 level. **The Advisory Committee recommends acceptance of the reclassification, but the cost should be absorbed.**

X.4 *Conversion of two temporary posts (1 P-3 and 1 General Service (Principal level)) to established status (ibid.).* According to ICSC, the experience gained indicates a need to maintain these posts on a permanent basis given the continuing nature of their functions. **The Advisory Committee recommends acceptance of the conversion of these posts.**

X.5 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Joint Inspection Unit

Proposal submitted by the Secretary-General (full budget)	$8,730,000
Revised appropriation for 2002-2003	$8,155,100
United Nations share, 2004-2005	$2,779,900
United Nations share, 2002-2003	$2,530,500

Recommendations on non-post resources

X.6 A total of $51,200 (before recosting) is being requested for 2004-2005 to hire individual contractors ($39,300) and consults and experts ($11,900) in order to enhance its capacity to handle specialized research in the context of the projects under the Unit's annual programme of work.

X.7 The Advisory Committee recalls that, in accordance with the statute of the Joint Inspection Unit, inspectors are appointed on the basis of their special experience in national or international administrative and financial matters, including management questions. Upon enquiry, the Committee was provided with the nature of specialized services the Unit would require in 2004-2005.

X.8 **In future, the use of consultants and contractors by the Unit to provide additional expertise should be linked more closely to specific items, including studies determined well in advance, on the basis of the work programme as set out in the proposed programme budget.**

X.9 Upon enquiry, the Advisory Committee was provided with the Unit's travel requirements for the biennium 2004-2005. In connection with the use of videoconferencing facilities, the Committee was informed that this medium of communication would be resorted to in future to reduce the amount of travel. **The Committee welcomes the commitment to greater use of videoconferencing facilities.**

X.10 **The Advisory Committee enquired about but did not receive information on the average cost of preparing a report of the Joint Inspection Unit. Taking into account the need to ensure the most efficient and effective use of resources and bearing in mind the provisions of the statute of the Unit, due consideration should be given to the cost and potential benefit of each report before a decision is taken to prepare it.**

Presentation

X.11 The Advisory Committee notes that this is the first Joint Inspection Unit budget that is presented using results-based-budgeting techniques. **The Committee welcomes this development. It encourages the Unit to refine the presentation in a way that would link reports, notes and letters to the attainment of its objectives and expected accomplishments. In presenting outputs, more emphasis should be given to this issue and less to the servicing of meetings.**

X.12 The Advisory Committee notes the absence of comments of CEB in section 31. The Committee was informed that some comments had been received and that the full text would be submitted to the General Assembly at its fifty-eighth session. The Committee regrets this delay. In the course of its consideration of the estimates of the secretariat of CEB, the Committee was informed that it took, on average, 30 workdays of consultations and 58 e-mails to prepare each report of the Joint Inspection Unit. The Committee also recalls that the Unit prepared a report on the implementation of its own recommendations and that a further follow-up report would be submitted to the Assembly at its fifty-eighth session.

X.13 **The current inter-agency consultation process is fraught with unacceptable delays. The Advisory Committee is of the opinion that a complete review should be undertaken with a view to replacing the current arrangements with procedures that would facilitate the prompt examination of reports of the Joint Inspection Unit by the relevant intergovernmental bodies of the participating organizations.**

United Nations Chief Executives Board for Coordination

Proposal submitted by the Secretary-General (full budget)	$3,796,100
Revised appropriation for 2002-2003	$3,652,200
United Nations share, 2004-2005	$1,369,200
United Nations share, 2002-2003	$1,371,500

General comments

X.14 The former inter-agency secretariat, with units in the Department of Economic and Social Affairs and in Geneva comprising 15 posts (1 D-2, 4 D-1, 2 P-5, 1 P-4 and 7 General Service), is proposed to be replaced by a new secretariat for CEB comprising 14 posts (1 D-2, 1 D-1, 3 P-5, 3 P-4/3 and 6 General Service).

X.15 The full cost of the new secretariat is shared among the members of the Board. Under the previous arrangements, only the Geneva-based costs were shared, while at Headquarters the regular budget provided the support for five posts within the Department of Economic and Social Affairs, which have now been assigned to the CEB secretariat at Headquarters. The Advisory Committee was informed that in addition to the Director, the Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs acts as Secretary of the Board. **The Committee welcomes the restructuring of the CEB secretariat and recommends approval of the 14 posts referred to in paragraph X.14 above.** The Committee was informed that the

Executive Office of the Department of Economic and Social Affairs provided some administrative support to CEB in the matters of finance and personnel.

Presentation

X.16 With regard to presentation of expected accomplishments and indicators of achievement, **the Advisory Committee recommends that, in future, results of the coordination of work be indicated, including the number of meetings and what they are intended to achieve.**

Inter-organizational security measures

Proposal submitted by the Secretary-General (full budget)	$86,814,400
Revised appropriation for 2002-2003	$62,517,500
Projected extrabudgetary resources	$3,874,300
United Nations share, 2004-2005	$14,940,600
United Nations share, 2002-2003	$11,987,400

Recommendations on posts

X.17 *One new P-5, Executive Officer (ibid., para. 31.70).* It is indicated in the supplementary information provided to the Advisory Committee that proposals for the biennium 2002-2003 had overlooked the workload that would be created as a result of the rapid and substantial expansion of the operations of the Office of the United Nations Security Coordinator. The Committee notes that the Executive Office currently has four posts (1 P-4 and 3 General Service). It was informed that posts in executive offices were used in a flexible manner depending on the workload in any of the units. The Committee was also informed that some executive functions had been performed by the Department of Management. **Under the circumstances, the Committee recommends against establishment of this post.**

X.18 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

Other matters

X.19 A clarification was provided to paragraph 31.54 of the proposed programme budget. The Advisory Committee was informed that extrabudgetary resources totalling $3,874,300 would be used for training and publication and not for staff costs.

X.20 With regard to the cost-sharing formula, the Advisory Committee was informed that this was under discussion and that the results would be communicated to the General Assembly at its fifty-eighth session.

X.21 In connection with ongoing consultations to delineate the lines of responsibility between the Under-Secretary-General for Peacekeeping Operations and the Security Coordinator, the Committee recalls that in its report on the support account for peacekeeping operations, **it reiterated the need for a well-defined hierarchical security structure in the field and the need to expeditiously define clear lines of responsibility and accountability in ensuring the safety and security of staff (A/57/776, para. 106).**

Section 32
Special expenses

Proposal submitted by the Secretary-General	$78,284,500
Revised appropriation for 2002-2003	$65,098,200
Projected extrabudgetary resources	$7,225,800

Comments and recommendations

After-service health insurance

X.22 The Advisory Committee was informed that the amount of $65,317,900 (after recosting) for 2004-2005 excluded approximately $1.2 million for expenditure related to UNHCR staff previously included under this item but now considered extrabudgetary.

X.23 The Advisory Committee notes that the cost-sharing ratio between the Organization and the participants is currently set at 2 to 1. Upon enquiry, the Committee was informed that, according to an actuarial study performed by a consultant, the value of future health-care benefits related to after-service health insurance, as at 31 December 2001, amounted to $1.8 billion and that the accrued after-service health insurance liability amounted to $1.5 billion.

X.24 The Advisory Committee recalls that in paragraph X.20 of its first report on the proposed programme budget for the biennium 2002-2003,[2] it noted that a report on the long-term implications and impact of the growth in the Organization's liability for after-service health insurance benefits requested by the Committee was being prepared and was to be submitted to the General Assembly at its fifty-sixth session. Upon enquiry, the Committee was informed that the report in question was being completed and would be submitted to the Assembly at its fifty-eighth session. **The Committee will revisit the issue in the context of its consideration of the report of the Secretary-General.**

General insurance

X.25 In connection with the amount of $7,578,000 (before recosting) proposed for general insurance for 2004-2005 (A/58/6 (Sect. 32), para. 32.11), the Advisory Committee was informed that an amount of $205,200 (before recosting) related to the restoration of reductions implemented in 2002-2003 by postponing payments. If the amount were not restored, the Secretariat would come back to the General Assembly, in the context of the performance report for the necessary resources.

X.26 The Advisory Committee was informed that ongoing discussions with general insurance providers indicated that premiums might increase by over $2.5 million for 2003 and that, as a consequence, the premium of $7,578,000, before recosting, could amount to over $10 million. The Committee notes that for 2000-2001, the corresponding amount was $1,808,000 (ibid., para. 32.12). The incidents of terrorism have largely accounted for the rapid increase in premiums demanded by providers of general insurance coverage.

Bank charges

X.27 The Advisory Committee welcomes the reductions made under this object of expenditure, which are due largely to expected savings arising out of United Nations participation in the Society for Worldwide Interbank Financial Telecommunication (SWIFT) system. In this connection, the Committee recalls its comments in its report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations, in which it welcomed efforts to develop a model banking agreement with a view to negotiating lower bank charges and requested that, once the agreement had been developed, the lessons learned from its use be applied in all missions and offices away from Headquarters, whether they were peacekeeping missions or not (A/57/772, para. 126). **The Committee requests a follow-up of bank charges for peacekeeping operations in line with those comments.**

Part XI
Capital expenditures

Section 33
Construction, alteration, improvement and major maintenance

Proposal submitted by the Secretary-General	$54,245,000
Revised appropriation for 2002-2003	$88,341,100

XI.1 The decrease in resources of $35,871,800 (see A/58/6 (Sect. 33), table 33.2) reflects the deletion of a one-time provision of $42,543,900 approved by the General Assembly in its resolution 56/286 of 27 June 2002 for the strengthening of the security and safety of the United Nations premises, and is partly offset by growth of $6,672,100 under other projects (ibid., para. 33.8).

XI.2 The Advisory Committee was provided with information on indicative resource requirements for alteration, improvement and major maintenance projects for United Nations Headquarters and for offices away from Headquarters. A number of projects included in the biennium 2004-2005 had been approved previously by the General Assembly but either had to be deferred, owing to limited resources or the need to undertake other unforeseen emergency projects, or are a continuation of previously approved multi-year projects (see ibid., para. 33.9). **The Committee believes that adequate provisions should be maintained in the 2004-2005 budget for construction, alteration, improvement and major maintenance of the United Nations worldwide properties to avoid more costly investments in the long term. The Committee therefore recommends acceptance of the estimates under**

section 33 for related capital expenditure projects, including modernization of existing buildings and technical installations.

XI.3 In its resolution 56/270 of 27 March 2002, the General Assembly requested the Secretary-General to submit annual reports on the progress made in the construction of additional office facilities at the Economic Commission for Africa. **The Advisory Committee recommends that the General Assembly take note of the most recent report of the Secretary-General on construction of additional office facilities at ECA (A/58/154).**

Part XII
Staff assessment

Section 34
Staff assessment

Proposal submitted by the Secretary-General	$376,606,400
Revised appropriation for 2002-2003	$368,936,500

XII.1 The salary and related emoluments of the United Nations staff members are subject to the assessment set out in regulation 3.3 of the Staff Regulations of the United Nations and the amendments thereto (A/58/6 (Sect. 34), para. 34.1). The Advisory Committee notes that, for the purpose of comparability with the work programme and budget proposals of other organizations of the United Nations system, the Secretary-General has estimated the staff costs net of staff assessment under the various expenditure sections of the proposed programme budget. The difference between gross and net salaries amounts to $376,606,400 (after recosting) for 2004-2005, and that amount is requested by the Secretary-General as a global amount under section 34.

XII.2 The Advisory Committee notes that, in accordance with the current budgetary procedure of the United Nations, amounts withheld in the form of staff assessment are considered as revenue to the Organization. Accordingly, the amount of $376,606,400 requested under section 34 is reflected in income section 1, Income from staff assessment, which also includes staff assessment of staff charged to revenue-producing activities.

Part XIII
Development Account

Section 35
Development Account

Proposal submitted by the Secretary-General	$13,065,000
Revised appropriation for 2002-2003	$13,065,000

Comments and recommendations

XIII.1 The proposal submitted by the Secretary-General would bring the amount placed in the Development Account since its inception to $52.3 million. The Advisory Committee was informed that expenditure performance for 43 projects since the inception of the Development Account was as follows: in the first allocation, for seven projects, 77.8 per cent of the allocation was expended and one project was completed; in the second allocation, for 16 projects, 75.6 per cent was expended and one project was completed; and in the third allocation, for 20 projects, 33.4 per cent was expended and no projects had as yet been completed.

XIII.2 The fourth allocation is for 23 projects budgeted for 2004-2005, which are devoted mainly to capacity-building. The Advisory Committee notes that activities under each project would take place in various countries and continents (see A/58/6 (Sect. 35), annex, part II).

XIII.3 **In the opinion of the Advisory Committee, there is a risk of undertaking too many small projects that are spread very thinly. This approach would make it very difficult to measure impact in view of the small amount of resources involved for each project. Since impact, achieved or potential, is not apparent in section 35 of the proposed programme budget, it is essential to define, from the very beginning, the type of capacity-building that would be promoted.**

XIII.4 **A more focused approach to project formulation and implementation would also achieve greater benefits. For example, if a project were to concentrate on promoting Internet connectivity in a particular geographical area with several least developed countries, that could be far more beneficial to a wider group of beneficiaries than spreading small sums across continents.**

XIII.5 **The Advisory Committee also observes that, in order to optimize the use of Development Account resources, greater effort should be made to use knowledge that is already available elsewhere before decisions are made to conduct studies and surveys.**

XIII.6 As indicated in paragraph XIII.1 above, at the time the Advisory Committee considered this section, only two projects had been completed. The Committee understands that only one of them had been the subject of detailed evaluation. The Committee was informed that the results of this evaluation and lessons learned would be submitted to the General Assembly at its fifty-eighth session. **In the opinion of the Committee, it is too early to form a judgement about the impact and viability of the projects that have been completed and those that are under implementation.**

XIII.7 **From the testimony of representatives of the Secretary-General, the Advisory Committee concluded that there was no satisfactory capacity available to the Department of Economic and Social Affairs for overseeing and monitoring the 66 projects that have been undertaken and planned since the inception of the Account (see paras. XIII.1 and XIII.2 above). The Department relies on project implementing partners and offices away from Headquarters to perform oversight and monitoring.**

XIII.8 **The Advisory Committee requests that, together with the evaluation reports to be submitted to the General Assembly, a comprehensive statement be provided on how development projects have complied with the guidelines set by the Assembly in its resolutions on the Development Account. The statement should also include overhead costs, what has been spent and an updated forecast of the date of completion of the projects. The statement could be included as part of the financial and programme performance report called for in chapter I above.**

XIII.9 The Advisory Committee notes that an attempt is made in part I of the annex to section 35 to differentiate between the role of the Development Account and section 23, Regular programme of technical cooperation. The explanation in the annex is not very clear. The representatives of the Secretary-General further clarified that the advisory services delivered under section 23 were based on requests from recipient countries. The United Nations and participating organizations, on the other hand, formulate development projects to implement development programmes and activities.

XIII.10 In his report on the delivery of advisory services (A/57/363), the Secretary-General attempted to respond to the request of the General Assembly contained in paragraph 94 of its resolution 56/253. The Advisory Committee stated that the report of the Secretary-General did not specifically address the request of the Assembly and indicated its intention to follow up on this matter in the context of the proposed programme budget for 2004-2005 (A/57/7/Add.3, para. 11).

XIII.11 **As part of its commentary on section 23 above, the Advisory Committee is recommending that the Development Account, now in section 35, and the regular programme of technical cooperation, now in section 23, be combined in future into one section with separate parts (see para. V.91 above). The Committee has indicated that such a measure would facilitate programme performance reporting; it should also assist in the examination of the Development Account and the role of advisory services.**

B. Estimates of income

Income section 1
Income from staff assessment

Proposal submitted by the Secretary-General	$380,712,500
Approved estimate for 2002-2003	$373,048,100

IS1.1 The amount of staff assessment under expenditure section 34 and income section 3 of the proposed programme budget for the biennium 2004-2005 is estimated at $380,712,500. The amount of staff assessment not otherwise disposed of by specific resolution of the General Assembly will be credited to the Tax Equalization Fund, established by the Assembly in its resolution 973 A (X) of 15 December 1955 for distribution to Member States in accordance with the scale of assessments for the regular budget applicable to the financial year concerned (see A/58/6 (Income sect. 1), para. IS1.2).

IS1.2 The total estimate under income section 1 is $4,106,100 more than the estimate under section 34 because the former includes income from staff assessment derived from emoluments of staff who are charged to revenue-producing activities under income section 3; on the other hand, the staff assessment paid to such staff is shown under income section 3 rather than section 34.

Income section 2
General income

Proposal submitted by the Secretary-General	$23,019,100
Approved estimate for 2002-2003	$41,953,200

Estimates under this section relate to income from rental of premises, reimbursement for services provided to specialized agencies, bank interest, sale of used equipment, refund from previous years' expenditures, contributions of non-member States, television and similar services and miscellaneous income.

IS2.1 The total estimate of general income for the biennium 2004-2005 amounts to $23,019,100, a decrease of $18,934,100 compared with the approved estimates of $41,953,200 for 2002-2003.

IS2.2 The Advisory Committee notes that the decreases in rental income at Headquarters ($140,400), at Bangkok ($65,100) and at Santiago ($6,600) are the net result of a combination of factors at each duty station, such as the movement of tenants, the renegotiation of rental agreements and currency fluctuations (see A/58/6 (Income sect. 2), para. IS2.1).

IS2.3 The Advisory Committee notes that a significant decrease is expected in the amount of interest to be paid by banks on balances in United Nations accounts during the biennium 2004-2005. It is estimated that $1,156,500 in interest is expected during the biennium 2004-2005, representing a decrease of $1,884,000 compared with the approved estimates for 2002-2003 of $3,040,500 (see ibid., table IS2.1).

IS2.4 With regard to the sale of used equipment, the Advisory Committee notes that the estimate of $472,900 is projected for the biennium 2004-2005, representing a decrease of $22,700 compared with the approved estimates for 2002-2003 of $495,600 (see ibid., para. IS2.4). The Committee was informed that the projected estimate was based on past experience.

IS2.5 The Advisory Committee notes that income from television and similar services is estimated to decrease (see ibid., para. IS2.7). The Committee was informed that the decrease was due to reciprocal arrangements between the Department of Public Information and business partners, but that as a result of those arrangements, material produced by the Department was able to reach a wider audience.

Income section 3
Services to the public

Proposal submitted by the Secretary-General	$3,591,800
Approved estimate for 2002-2003	$4,163,500

Recommendations on posts

Abolitions

IS3.1 *One P-4, one P-3 and one General Service (Other level) post, United Nations Postal Administration (UNPA) New York office (A/58/6 (Income sect. 3), para. IS3.17, as orally corrected).* These abolitions reflect the realignment of functions in the office to concentrate on marketing and operational aspects.

IS3.2 *One P-4, Commercial Activities Service (ibid.).* The functions of the administration of catering, the gift shop and the news-stand at Headquarters have been absorbed by the Facilities Management Division.

IS3.3 *Two General Service (Other level) posts in the Vienna office (ibid., as orally corrected).* This is a transitional step in restructuring all European operations under a unified European office.

IS3.4 *Five General Service (Other level) posts in the Geneva office (ibid.).* This is proposed for the reasons indicated above.

IS3.5 *One P-2, Public Services Section, Department of Public Information, Headquarters (ibid., para. IS3.46).* This post is responsible for administrative functions relating to visitor services, which have been reassigned to the administrative assistant to the Chief of the Section.

IS3.6 *Two General Service (Other level) posts, Public Services Unit, Department of Public Information, Vienna (ibid.).* The two posts would be replaced with adequate provision of general temporary assistance resources, which could allow for more flexible and adaptable arrangements.

IS3.7 *One General Service (Other level) post, Revenue Accounts Unit (ibid., para. IS3.84).* This is due to an overall reduction in the level of operations in revenue-producing activities.

Freeze on posts

IS3.8 *One D-1 and five General Service posts, UNPA (ibid., para. IS3.15).* It is requested to freeze these posts pending such time as revenues exceed current projections and the operations prove to be sustainable. **The Advisory Committee recommends that the D-1 and General Service posts be abolished. In the event**

that revenues improve, a request for new posts could be made and justified in accordance with normal practice.

Redeployment

IS3.9 *One P-5 from Vienna to New York, Chief, UNPA (ibid., para. IS3.17).* **The Advisory Committee recommends that the post be redeployed.**

Reclassification

IS3.10 *One P-2/1 to P-3 for the sale of United Nations publications (ibid., para. IS3.30).* **The position of the Advisory Committee on the reclassification of posts is explained in paragraphs 74 to 79 above.**

IS3.11 *One General Service (Other level) post to the Principal level for the sale of United Nations publications (ibid.).* This is to reflect the level of responsibility and supervisory functions attached to the post, which includes managing customer accounts, coordinating sales and supervising six General Service staff. **The Advisory Committee recommends against the reclassification of this post.**

IS3.12 *One P-4 to P-5, Chief, Public Services Section (ibid., para. IS3.46).* **The position of the Advisory Committee on the reclassification of posts is explained in paragraphs 74 to 79 above.**

IS3.13 *One General Service (Other level) post to the Principal level, Public Services Section (ibid.).* This is to reflect increased responsibilities attached to the post in view of the proposal to abolish a P-2 post (see para. IS3.5 above). **The Advisory Committee recommends the reclassification of this post.**

IS3.14 **The budgetary reductions that would result from the application of the Advisory Committee's recommendations on posts and vacancy rates are shown (at 2004-2005 rates) in table 11 above.**

General comments

IS3.15 Revenue-producing activities are carried out at Headquarters and at Geneva and Vienna by the Department of Public Information, the Department of Economic and Social Affairs, the Office of Central Support Services, the United Nations Office at Geneva, the United Nations Office at Vienna and the Office of Programme Planning, Budget and Accounts.

IS3.16 The Advisory Committee notes that the strategy in carrying out revenue-producing activities has been to maximize revenue through the rationalization of expenditures (see ibid., para. IS3.15).

IS3.17 With regard to UNPA, the Advisory Committee notes the proposal to consolidate the operation into two offices, one in Europe and one in New York, with all operations managed from New York (ibid., paras. IS3.4 and IS3.15). The Committee was informed that a detailed report on how these new arrangements would be implemented would be submitted to the General Assembly at its fifty-eighth session (see also para. IS3.19 below).

Report of the Joint Inspection Unit on United Nations system revenue-producing activities and comments by the Secretary-General on the report

IS3.18 The Joint Inspection Unit has reviewed the policies and practices relating to some of the activities of the organizations of the United Nations system that generate revenue and has made recommendations for improving both their revenue-producing capacity and their profitability and for developing new income-generating measures. **The Committee notes the report of the Joint Inspection Unit as well as the comments of the Secretary-General thereon (A/57/707 and Add.1).**

IS3.19 With regard to recommendation 1 contained in the report of the Joint Inspection Unit in which the Unit requests the Secretary-General to consider merging revenue-producing activities into a single Business Division managed by an interdepartmental body, the Advisory Committee notes that the Secretary-General will explore this recommendation in the context of a report to be submitted to the General Assembly at its fifty-eighth session (see A/57/707/Add.1, para.12, and para. IS3.17 above).

Annex I

Proposed regular budget established and temporary posts by part of the programme budget

	2002-2003			Proposals					2004-2005		
	Established	*Temporary*	*Total*	*New*	*Converted*	*Reclassification and redeployment*	*Abolished*	*Net change*	*Established*	*Temporary*	*Total*
Part I. Overall policy-making, direction and coordination											
Professional	1 003	-	1 003	8	10	3	-	21	1 024	-	1 024
General Service	1 060	-	1 060	3	2	5	(20)	(10)	1 050	-	1 050
Total	2 063	-	2 063	11	12	8	(20)	11	2 074	-	2 074
Part II. Political affairs											
Professional	209	19	228	5	5	5	-	15	220	23	243
General Service	419	31	450	7	5	1	-	13	422	41	463
Total	628	50	678	12	10	6	-	28	642	64	706
Part III. International justice and law											
Professional	110	12	122	5	5	(1)	-	9	119	12	131
General Service	112	2	114	3	-	(2)	(2)	(1)	113	-	113
Total	222	14	236	8	5	(3)	(2)	8	232	12	244
Part IV. International cooperation for development											
Professional	694	9	703	22	5	-	-	27	728	2	730
General Service	478	4	482	8	2	-	-	10	491	1	492
Total	1 172	13	1 185	30	7	-	-	37	1 219	3	1 222
Part V. Regional cooperation for development											
Professional	807	1	808	10	-	7	-	17	824	1	825
General Service	1 256	1	1 257	1	-	(7)	(13)	(19)	1 237	1	1 238
Total	2 063	2	2 065	11	-	-	(13)	(2)	2 061	2	2 063
Part VI. Human rights and humanitarian affairs											
Professional	246	-	246	13	5	-	-	18	264	-	264
General Service	85	-	85	-	-	-	-	-	85	-	85
Total	331	-	331	13	5	-	-	18	349	-	349

	2002-2003			Proposals					2004-2005		
	Established	*Temporary*	*Total*	*New*	*Converted*	*Reclassification and redeployment*	*Abolished*	*Net change*	*Established*	*Temporary*	*Total*
Part VII. Public information											
Professional	280	-	280	-	-	(5)	-	(5)	275	-	275
General Service	474	-	474	-	-	(1)	-	(1)	473	-	473
Total	754	-	754	-	-	(6)	-	(6)	748	-	748
Part VIII. Common support services											
Professional	367	7	374	13	-	(1)	-	12	379	7	386
General Service	1 282	3	1 285	15	-	(4)	(1)	10	1 292	3	1 295
Total	1 649	10	1 659	28	-	(5)	(1)	22	1 671	10	1 681
Part IX. Internal oversight											
Professional	61	-	61	1	-	-	-	1	62	-	62
General Service	30	-	30	-	-	-	-	-	30	-	30
Total	91	-	91	1	-	-	-	1	92	-	92
Subtotal, regular budget											
Professional	3 777	48	3 825	77	30	8	-	115	3 895	45	3 940
General Service	5 196	41	5 237	37	9	(8)	(36)	2	5 193	46	5 239
Total	8 973	89	9 062	114	39	-	(36)	117	9 088	91	9 179
Income section 3. Services to the public											
Professional	20	-	20	-	-	-	(4)	(4)	16	-	16
General Service	104	-	104	-	-	-	(11)	(11)	93	-	93
Total	124	-	124	-	-	-	(15)	(15)	109	-	109
Total											
Professional	3 797	48	3 845	77	30	8	(4)	111	3 911	45	3 956
General Service	5 300	41	5 341	37	9	(8)	(47)	(9)	5 286	46	5 332
Total	9 097	89	9 186	114	39	-	(51)	102	9 197	91	9 288

Annex II

Extrabudgetary posts: summary by section of the programme budget and by level for the bienniums 2002-2003 and 2004-2005

	Professional category and above							
	USG	*ASG*	*D-2*	*D-1*	*P-5*	*P-4/3*	*P-2/1*	*Subtotal*
Part I								
Overall policy-making, direction and coordination								
1. Overall policy-making, direction and coordination								
2002-2003	-	-	1	-	1	-	-	2
2004-2005	-	-	1	-	1	-	-	2
2. General Assembly affairs and conference services								
2002-2003	-	-	-	-	2	24	2	28
2004-2005	-	-	-	-	2	24	2	28
Part II								
Political affairs								
3. Political affairs								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
4. Disarmament								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
5. Peacekeeping operations								
2002-2003	-	-	4	7	33	294	11	349
2004-2005	-	-	4	8	34	292	11	349
6. Peaceful uses of outer space								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
Part III								
International justice and law								
7. International Court of Justice								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
8. Legal affairs								
2002-2003	-	-	-	2	2	6	2	12
2004-2005	-	-	-	2	2	6	2	12
Part IV								
International cooperation for development								
9. Economic and social affairs								
2002-2003	-	-	-	5	2	3	8	18
2004-2005	-	-	-	4	2	3	8	17

General Service and other categories							
Principal level	*Other level*	*Security Service*	*Trades and Crafts*	*Field Service*	*Local level*	*Subtotal*	*Total*
-	**2**	**-**	**-**	**-**	**-**	**2**	**4**
-	**5**	**-**	**-**	**-**	**-**	**5**	**7**
1	**15**	**-**	**-**	**-**	**61**	**77**	**105**
1	**15**	**-**	**-**	**-**	**54**	**70**	**98**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
16	**193**	**-**	**-**	**-**	**-**	**209**	**558**
16	**194**	**-**	**-**	**-**	**-**	**210**	**559**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	**6**	**-**	**-**	**-**	**-**	**6**	**18**
-	**6**	**-**	**-**	**-**	**-**	**6**	**18**
7	**12**	**-**	**-**	**-**	**-**	**19**	**37**
6	**11**	**-**	**-**	**-**	**-**	**17**	**34**

	Professional category and above							
	USG	*ASG*	*D-2*	*D-1*	*P-5*	*P-4/3*	*P-2/1*	*Subtotal*
10. Least developed countries, landlocked developing countries and small island developing States								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
11. United Nations support for the New Partnership for Africa's Development								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
12. Trade and development								
2002-2003	-	-	-	2	5	2	-	9
2004-2005	-	-	-	2	5	2	-	9
13. International Trade Centre UNCTAD/WTO								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
14. Environment								
2002-2003	-	1	3	32	40	117	58	251
2004-2005	-	1	3	29	43	181	51	308
15. Human settlements								
2002-2003	-	1	2	10	19	30	13	75
2004-2005	-	1	2	9	21	40	20	93
16. Crime prevention and criminal justice								
2002-2003	-	-	-	-	4	5	1	10
2004-2005	-	-	-	-	3	4	1	8
17. International drug control								
2002-2003	-	-	3	11	32	77	23	146
2004-2005	-	-	3	11	32	77	17	140
Part V								
Regional cooperation for development								
18. Economic and social development in Africa								
2002-2003	-	-	-	2	15	3	5	25
2004-2005	-	-	-	2	7	13	2	24
19. Economic and social development in Asia and the Pacific								
2002-2003	-	-	-	-	11	2	-	13
2004-2005	-	-	-	-	11	1	1	13
20. Economic development in Europe								
2002-2003	-	-	-	-	2	1	-	3
2004-2005	-	-	-	-	2	2	1	5

General Service and other categories							
Principal level	*Other level*	*Security Service*	*Trades and Crafts*	*Field Service*	*Local level*	*Subtotal*	*Total*
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	18	-	-	-	-	18	27
-	18	-	-	-	-	18	27
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	250	250	501
-	-	-	-	-	249	249	557
-	60	-	-	-	-	60	135
-	71	-	-	-	-	71	164
-	2	-	-	-	-	2	12
-	-	-	-	-	-	-	8
27	62	-	-	-	59	148	294
27	62	-	-	-	59	148	288
-	-	-	-	-	34	34	59
-	-	-	-	-	55	55	79
-	-	-	-	-	44	44	57
-	-	-	-	-	40	40	53
-	2	-	-	-	-	2	5
-	4	-	-	-	-	4	9

	Professional category and above							
	USG	*ASG*	*D-2*	*D-1*	*P-5*	*P-4/3*	*P-2/1*	*Subtotal*
21. Economic and social development in Latin America and the Caribbean								
2002-2003	-	-	-	-	5	9	2	16
2004-2005	-	-	-	1	3	10	1	15
22. Economic and social development in Western Asia								
2002-2003	-	-	-	-	2	-	-	2
2004-2005	-	-	-	-	-	-	-	-
23. Regular programme of technical cooperation								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
Part VI								
Human rights and humanitarian affairs								
24. Human rights								
2002-2003	-	-	-	1	10	52	28	91
2004-2005	-	-	-	1	10	52	28	91
25. Protection of and assistance to refugees								
2002-2003	-	1	18	57	140	831	134	1 181
2004-2005	-	1	18	67	167	873	204	1 330
26. Palestine refugees								
2002-2003	-	-	2	1	6	15	12	36
2004-2005	-	-	2	1	6	15	12	36
27. Humanitarian assistance								
2002-2003	-	-	1	2	42	158	25	228
2004-2005	-	-	1	2	52	185	29	269
Part VII								
Public information								
28. Public information								
2002-2003	-	-	-	-	-	4	-	4
2004-2005	-	-	-	-	-	4	-	4
Part VIII								
Common support services								
29. Management and central support services								
A. Office of the Under-Secretary-General for Management								
2002-2003	-	-	-	-	-	2	1	3
2004-2005	-	-	-	-	-	3	1	4
B. Office of Programme Planning, Budget and Accounts								
2002-2003	-	-	1	2	9	50	3	65
2004-2005	-	-	1	2	9	52	3	67

General Service and other categories							
Principal level	*Other level*	*Security Service*	*Trades and Crafts*	*Field Service*	*Local level*	*Subtotal*	*Total*
-	-	-	-	-	19	19	35
-	-	-	-	-	21	21	36
-	-	-	-	-	-	-	2
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	34	-	-	-	-	34	125
-	34	-	-	-	-	34	125
44	187	-	-	43	2 860	3 134	4 315
52	324	-	-	34	2 650	3 060	4 390
-	2	-	-	-	-	2	38
-	2	-	-	-	-	2	38
-	64	-	-	-	-	64	292
-	80	-	-	-	-	80	349
-	10	-	-	-	-	10	14
-	10	-	-	-	-	10	14
-	-	-	-	-	-	-	3
-	1	-	-	-	-	1	5
11	71	-	-	-	-	82	147
11	71	-	-	-	-	82	149

	Professional category and above							
	USG	*ASG*	*D-2*	*D-1*	*P-5*	*P-4/3*	*P-2/1*	*Subtot*
C. Office of Human Resources Management								
2002-2003	-	-	-	-	3	9	-	12
2004-2005	-	-	-	-	3	10	-	13
D. Office of Central Support Services								
2002-2003	-	-	-	-	3	19	2	24
2004-2005	-	-	-	-	2	20	3	25
E. Administration, Geneva								
2002-2003	-	-	-	-	-	10	-	10
2004-2005	-	-	-	-	-	15	1	16
F. Administration, Vienna								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
G. Administration, Nairobi								
2002-2003	-	-	-	1	2	19	2	24
2004-2005	-	-	-	1	2	14	1	18
Part IX								
Internal oversight								
30. Internal oversight								
2002-2003	-	-	-	2	7	39	2	50
2004-2005	-	-	-	2	12	50	2	66
Part X								
Jointly financed administrative activities and special expenses								
31. Jointly financed administrative activities								
2002-2003	-	-	-	-	1	4	-	5
2004-2005	-	-	-	-	1	4	-	5
32. Special expenses								
2002-2003	-	-	-	-	-	-	-	-
2004-2005	-	-	-	-	-	-	-	-
Total								
2002-2003	**-**	**3**	**35**	**137**	**398**	**1 785**	**334**	**2 692**
2004-2005	**-**	**3**	**35**	**144**	**432**	**1 952**	**401**	**2 967**

General Service and other categories							
Principal level	*Other level*	*Security Service*	*Trades and Crafts*	*Field Service*	*Local level*	*Subtotal*	*Total*
3	16	-	-	-	-	19	31
3	17	-	-	-	-	20	33
3	42	12	4	-	-	61	85
8	45	12	3	-	-	68	93
-	84	-	-	-	-	84	94
-	109	-	-	-	-	109	125
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	164	164	188
-	-	-	-	-	153	153	171
-	21	-	-	-	1	22	72
-	24	-	-	-	1	25	91
-	2	-	-	-	-	2	7
-	2	-	-	-	-	2	7
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
112	905	12	4	43	3 492	4 568	7 260
124	1 105	12	3	34	3 282	4 560	7 527

Annex III

Extrabudgetary posts by category of expenditure

Budget section	*Support*	*Substantive*	*Operational*	*Total*
Part I				
Overall policy-making, direction and coordination				
1. Overall policy-making, direction and coordination				
2002-2003	4	-	-	**4**
2004-2005	7	-	-	**7**
2. General Assembly affairs and conference services				
2002-2003	86	19	-	**105**
2004-2005	79	19	-	**98**
Part II				
Political affairs				
5. Peacekeeping operations				
2002-2003	539[a]	19	-	**558**
2004-2005	542	17	-	**559**
Part III				
International justice and law				
8. Legal affairs				
2002-2003	18	-	-	**18**
2004-2005	18	-	-	**18**
Part IV				
International cooperation for development				
9. Economic and social affairs				
2002-2003	34	3	-	**37**
2004-2005	31	3	-	**34**
12. Trade and development				
2002-2003	27	-	-	**27**
2004-2005	27	-	-	**27**
14. Environment				
2002-2003	50	451	-	**501**
2004-2005	55	502	-	**557**
15. Human settlements				
2002-2003	68	67	-	**135**
2004-2005	49	115	-	**164**
16. Crime prevention and criminal justice				
2002-2003	-	-	12	**12**
2004-2005	-	-	8	**8**

Budget section	*Support*	*Substantive*	*Operational*	*Total*
17. International drug control				
2002-2003	24	50	220	**294**
2004-2005	24	49	215	**288**
Part V				
Regional cooperation for development				
18. Economic and social development in Africa				
2002-2003	29	-	30	**59**
2004-2005	33	-	46	**79**
19. Economic and social development in Asia and the Pacific				
2002-2003	47	-	10	**57**
2004-2005	43	-	10	**53**
20. Economic development in Europe				
2002-2003	2	-	3	**5**
2004-2005	4	-	5	**9**
21. Economic and social development in Latin America and the Caribbean				
2002-2003	10	-	25	**35**
2004-2005	10	-	26	**36**
22. Economic and social development in Western Asia				
2002-2003	-	-	2	**2**
2004-2005	-	-	-	**-**
Part VI				
Human rights and humanitarian affairs				
24. Human rights				
2002-2003	32	39	54	**125**
2004-2005	32	39	54	**125**
25. Protection of and assistance to refugees				
2002-2003	2 229	46	2 040	**4 315**
2004-2005	2 302	54	2 034	**4 390**
26. Palestine refugees				
2002-2003	-	-	38	**38**
2004-2005	-	-	38	**38**
27. Humanitarian assistance				
2002-2003	45	73	174	**292**
2004-2005	56	84	209	**349**
Part VII				
Public information				
28. Public information				
2002-2003	2	12	-	**14**
2004-2005	2	12	-	**14**

Budget section	Support	Substantive	Operational	Total
Part VIII				
Common support services				
29. Management and central support services				
A. Office of the Under-Secretary-General for Management				
2002-2003	3	-	-	**3**
2004-2005	5	-	-	**5**
B. Office of Programme Planning, Budget and Accounts				
2002-2003	141	6	-	**147**
2004-2005	143	6	-	**149**
C. Office of Human Resources Management				
2002-2003	31	-	-	**31**
2004-2005	33	-	-	**33**
D. Office of Central Support Services				
2002-2003	72	13	-	**85**
2004-2005	81	12	-	**93**
E. Administration, Geneva				
2002-2003	94	-	-	**94**
2004-2005	125	-	-	**125**
G. Administration, Nairobi				
2002-2003	188	-	-	**188**
2004-2005	171	-	-	**171**
Part IX				
Internal oversight				
30. Internal oversight				
2002-2003	72	-	-	**72**
2004-2005	91	-	-	**91**
Part X				
Jointly financed administrative activities and special expenses				
31. Jointly financed administrative activities				
2002-2003	7	-	-	**7**
2004-2005	7	-	-	**7**
Grand total				
2002-2003	**3 854**	**798**	**2 608**	**7 260**
2004-2005	**3 970**	**912**	**2 645**	**7 527**

Annex IV

Total number of posts by source of funds and grade level

A. Total number of posts (other than peacekeeping)

	Authorized posts							
	1998-1999		*2000-2001*		*2002-2003*		*2004-2005 (proposals)*	
	No. of posts	*Percentage of total*	*No. of posts*	*Percentage of total*	*No. of posts*	*Percentage of total*	*No. of posts*	*Percentage of total*
Regular budget								
USG	26	0.3	26	0.3	27	0.3	28	0.3
ASG	18	0.2	18	0.2	19	0.2	21	0.2
D-2	75	0.9	79	0.9	81	0.9	87	0.9
D-1	253	2.9	254	2.8	246	2.7	253	2.8
Professional	3 249	37.2	3 405	37.9	3 452	38.1	3 551	38.7
General Service and other	5 120	58.6	5 207	57.9	5 237	57.8	5 239	57.1
Total	**8 741**	**100.0**	**8 989**	**100.0**	**9 062**	**100.0**	**9 179**	**100.0**
Extrabudgetary, including support account resources								
ASG	3	0.1	2	0.1	3	0.1	3	0.1
D-2	45	0.6	30	0.4	35	0.4	35	0.5
D-1	116	1.5	123	1.8	137	1.9	144	1.9
Professional	2 264	29.7	2 048	30.9	2 517	34.7	2 785	37.0
General Service and other	5 194	68.1	4 429	66.8	4 568	62.9	4 560	60.5
Total	**7 622**	**100.0**	**6 632**	**100.0**	**7 260**	**100.0**	**7 527**	**100.0**
International Tribunals[a]								
USG	1	0.1	1	0.1	1	0.1		Not available
ASG	2	0.1	2	0.1	2	0.1		
D-2	2	0.1	2	0.1	2	0.1		
D-1	8	0.5	8	0.4	8	0.4		
Professional	684	44.0	799	43.4	875	42.9		
General Service and other	859	55.2	1 028	55.9	1 151	56.4		
Total	**1 556**	**100.0**	**1 840**	**100.0**	**2 039**	**100.0**		

[a] Prior to the biennium 2002-2003, the Tribunals' budgets were prepared on an annual basis, therefore only the approved odd-year totals are shown for comparison purposes for these periods.

B. Number of civilian posts in all peacekeeping operations[a]

	Period ended 30 June			
Category	*2001*	*2002*	*2003*	*2004*[b]
International staff				
Professional and above				
USG	8	8	8	8
ASG	18	17	15	15
D-2	31	32	27	27
D-1	91	99	75	69
P-5	269	739	202	188
P-4	689	929	594	472
P-3	933	996	783	672
P-2/P-1	163	183	175	172
Subtotal	**2 202**	**2 359**	**1 879**	**1 623**
General Service				
Principal level	35	40,	29	22
Other level	858	929	703	623
Subtotal	**893**	**969**	**732**	**645**
Field Service	1 443	1 594	1 412	1 211
Security Service	96	93	96	90
Total, international staff	**4 634**	**5 015**	**4 120**	**3 569**
Local staff[c]	9 820	10 201	8 636	6 836
Total	**14 454**	**15 216**	**12 755**	**10 405**

Note: Totals include the United Nations Logistics Base at Brindisi, Italy, but do not include the support account, which is covered under extrabudgetary resources in table IV.A above.

[a] Represents the highest authorized level during the period.

[b] Compared with 2003, the decreases for financial year 2004 are primarily attributable to the closing of the United Nations Mission in Bosnia and Herzegovina and the downsizing of the United Nations Mission in Sierra Leone and the United Nations Mission of Support in East Timor, offset by the increase authorized under commitment authority granted by the Advisory Committee for the United Nations Mission in Côte d'Ivoire.

[c] Includes national officers, where applicable.

Annex V

Vacancy statistics for posts authorized under the regular budget (as at 31 May 2003)

	Professional			*General Service*			*Total*		
Budget section	*Authorized*	*Vacant*	*Rate*	*Authorized*	*Vacant*	*Rate*	*Authorized*	*Vacant*	*Rate*
1. Overall policy-making, direction and coordination	63	4	6.3	76	0	0.0	139	4	2.9
2. General Assembly affairs and conference services	940	32	3.4	984	24	2.4	1 924	56	2.9
3. Political affairs	136	6	4.4	115	5	4.3	251	11	4.4
4. Disarmament	33	1	3.0	20	0	0.0	53	1	1.9
5. Peacekeeping operations	44	4	9.1	310	23	7.4	354	27	7.6
6. Peaceful uses of outer space	15	3	20.0	5	0	0.0	20	3	15.0
7. International Court of Justice	40	1	2.5	51	0	0.0	91	1	1.1
8. Legal affairs	82	4	4.9	63	0	0.0	145	4	2.8
9. Economic and social affairs	306	20	6.5	227	2	0.9	533	22	4.1
10. Least developed countries, landlocked developing countries and small island developing States	9	4	44.4	4	1	25.0	13	5	38.5
11. United Nations support for the New Partnership for Africa's Development	14	3	21.4	9	1	11.1	23	4	17.4
12. Trade and development	226	14	6.2	167	2	1.2	393	16	4.1
14. Environment	28	0	0.0	17	0	0.0	45	0	0.0
15. Human settlements	46	2	4.3	25	0	0.0	71	2	2.8
16. Crime prevention and criminal justice	25	0	0.0	9	0	0.0	34	0	0.0
17. International drug control	49	0	0.0	24	0	0.0	73	0	0.0
18. Economic and social development in Africa	222	52	23.4	350	23	6.6	572	75	13.1
19. Economic and social development in Asia and the Pacific	175	15	8.6	327	28	8.6	502	43	8.6
20. Economic development in Europe	119	3	2.5	79	1	1.3	198	4	2.0
21. Economic and social development in Latin America and the Caribbean	186	13	7.0	316	17	5.4	502	30	6.0
22. Economic and social development in Western Asia	106	4	3.8	185	2	1.1	291	6	2.1
24. Human rights	109	13	11.9	57	0	0.0	166	13	7.8

Budget section	Professional			General Service			Total		
	Authorized	Vacant	Rate	Authorized	Vacant	Rate	Authorized	Vacant	Rate
25. Protection of and assistance to refugees	2	0	0.0	0	0	0.0	2	0	0.0
26. Palestine refugees	94	2	2.1	11	1	9.1	105	3	2.9
27. Humanitarian assistance	41	1	2.4	17	2	11.8	58	3	5.2
28. Public information	280	8	2.9	474	12	2.5	754	20	2.7
29. Management and central support services	374	28	7.5	1 285	36	2.8	1 659	64	3.9
30. Internal oversight	61	2	3.3	30	1	3.3	91	3	3.3
Subtotal	**3 825**	**239**	**6.2**	**5 237**	**181**	**3.5**	**9 062**	**420**	**4.6**
Income section 3 Services to the public	20	5	25.0	104	8	7.7	124	13	10.5
Total	**3 845**	**244**	**6.3**	**5 341**	**189**	**3.5**	**9 186**	**433**	**4.7**

Annex VI

General temporary assistance resources

(Thousands of United States dollars)

Section	*2002-2003 appropriation*	*Resource growth*	*Recosting*	*2004-2005 estimates*	*Increase/ (decrease) (percentage)*
1. Overall policy-making, direction and coordination	549.3	(6.30)	23.1	566.1	3.06
2. General Assembly affairs and conference services	2 441.0	(239.90)	84.5	2 285.6	(6.37)
3. Political affairs	78 076.2	(77 373.10)	31.3	734.4	(99.06)
4. Disarmament	198.6	(78.90)	5.5	125.2	(36.96)
5. Peacekeeping operations	679.8	(378.00)	15.8	317.6	(53.28)
6. Peaceful uses of outer space	31.8	(2.00)	1.0	30.8	(3.14)
7. International Court of Justice	938.7	(691.50)	11.5	258.7	(72.44)
8. Legal affairs	231.3	(79.50)	6.9	158.7	(31.39)
9. Economic and social affairs	2 069.1	(788.90)	57.0	1 337.2	(35.37)
10. Least developed countries, landlocked developing countries and small island developing States	82.1	-	3.6	85.7	4.38
11. United Nations support for the New Partnership for Africa's Development	201.8	(15.60)	3.5	189.7	(6.00)
12. Trade and development	1 016.6	21.40	16.6	1 054.6	3.74
14. Environment	60.1	-	2.2	62.3	3.66
15. Human settlements	192.6	8.20	10.6	211.4	9.76
16. Crime prevention and criminal justice	112.1	166.50	9.0	287.6	156.56
17. International drug control	358.3	-	11.4	369.7	3.18
18. Economic and social development in Africa	857.3	-	-2.0	855.3	(0.23)
19. Economic and social development in Asia and the Pacific	202.4	(3.20)	6.9	206.1	1.83
20. Economic development in Europe	144.1	14.70	2.6	161.4	12.01
21. Economic and social development in Latin America and the Caribbean	1 176.4	135.40	81.2	1 393.0	18.41
22. Economic and social development in Western Asia	582.7	89.10	19.0	690.8	18.55
24. Human rights	2 709.4	(680.40)	33.6	2 062.6	(23.87)
26. Palestine refugees	12.9	-	0.6	13.5	4.65
27. Humanitarian assistance	533.5	-	16.9	550.4	3.17
28. Public information	3 754.1	1 046.30	199.3	4 999.7	33.18
29. Management and central support services	5 907.2	(394.70)	198.1	5 710.6	(3.33)
30. Internal oversight	138.2	(27.20)	4.7	115.7	(16.28)
Total	**103 257.6**	**(79 277.6)**	**854.4**	**24 834.4**	

Annex VII

Breakdown of the decrease in general temporary assistance in the Department of Political Affairs

(Thousands of United States dollars)

	Decrease in general temporary assistance resources
Department of Political Affairs	(140.7)
Special political missions	
Office of the Secretary-General in Afghanistan	(645.0)
Office of the Special Representative of the Secretary-General for Afghanistan	(210.1)
United Nations Assistance Mission in Afghanistan	(24 956.8)
Assessment mission to the Occupied Territories	(14.2)
Central American peace process	(371.4)
United Nations Verification Mission in Guatemala	(12 565.2)
Counter-Terrorism Committee	(1 017.2)
Personal Representative of the Secretary-General for Southern Lebanon	(1 203.0)
Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo	(1 559.3)
United Nations Tajikistan Office of Peace-building	(1 810.3)
Special Adviser of the Secretary-General on Cyprus	(738.4)
Monitoring Mechanism on Sanctions against UNITA	(118.1)
United Nations Peace-building Support Office in the Central African Republic	(3 223.1)
United Nations Office in Burundi	(4 372.9)
Special Adviser to the Secretary-General for Special Assignments in Africa	(1 074.4)
Monitoring group established pursuant to Security Council resolution 1363 (2001) and extended pursuant to resolution 1390 (2002)	(1 227.6)
United Nations Mission in Angola	(7 880.5)
Mission to Angola	(2 834.5)
Technical assessment mission to Angola	(7.2)
Special Representative of the Secretary-General for West Africa	(2 427.4)
United Nations Peace-building Support Office in Guinea-Bissau	(2 313.2)
Special Envoy of the Secretary-General for Myanmar	(232.6)
Special Envoy of the Secretary-General to the inter-Congolese dialogue	(180.2)
Panel of Experts on Somalia	(109.6)
United Nations Political Office for Somalia	(974.1)

	Decrease in general temporary assistance resources
Personal Representative of the Secretary-General on the Border Controversy between Guyana and Venezuela	(12.2)
United Nations Political Office in Bougainville	(1 158.0)
United Nations Peace-building Support Office in Liberia	(1 956.0)
Special Envoy of the Secretary-General in Africa	(85.0)
Office of the Special Representative of the Secretary-General for the Great Lakes Region	(1 554.9)
Total	**(77 373.1)**

Annex VIII

Regular budget positions funded through general temporary assistance (as at 30 April 2003)

	Professional and above									General Service and related categories							
Budget section	*USG*	*ASG*	*D-2*	*D-1*	*P-5*	*P-4*	*P-3*	*P-2/1*	*Subtotal*	*Principal level*	*Other level*	*Security Service*	*Field Service*	*Trades and Crafts*	*Local level*	*Subtotal*	*Total*
1	-	-	-	-	-	-	-	1	1	-	2	-	-	-	1	3	**4**
2	-	-	-	-	-	-	3	2	5	-	22	-	-	-	-	22	**27**
3	5	6	10	12	19	56	81	37	226	1	38	4	123	-	-	166	**392**
4	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-	3	**3**
5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	1	1	-	-	-	-	-	-	-	**1**
9	-	-	-	-	-	1	-	2	3	-	5	-	-	-	-	5	**8**
10	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	1	**1**
11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	1	1	2	-	10	-	-	-	-	10	**12**
14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	1	**1**
17	-	-	-	-	-	-	-	-	-	-	5	-	-	-	-	5	**5**
18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	132	132	**132**
19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	**1**
20	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	2	**2**
21	-	-	-	-	-	-	1	2	3	-	-	-	-	-	8	8	**11**
22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	20	**20**
24	-	-	-	-	-	1	4	6	12	-	3	-	-	-	-	3	**15**
25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	-	-	-	-	-	1	1	1	3	-	5	-	-	-	-	5	**8**
28	-	-	1	1	1	1	11	3	18	-	32	-	-	2	7	41	**59**

Budget section	Professional and above									General Service and related categories							
	USG	ASG	D-2	D-1	P-5	P-4	P-3	P-2/1	Subtotal	Principal level	Other level	Security Service	Field Service	Trades and Crafts	Local level	Subtotal	Total
29A	-	-	-	-	-	-	1	1	2	-	1	-	-	-	-	1	3
29B	-	-	-	-	-	1	-	-	1	-	8	-	-	-	-	8	9
29C	-	-	-	-	1	1	1	1	4	-	12	-	-	-	-	12	16
29D	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	1	1
29E	-	-	-	-	-	-	1	-	1	-	22	-	-	-	-	22	23
29F	-	-	-	-	-	-	1	-	1	-	9	-	-	-	-	9	10
29G	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	1	1
Total	**5**	**6**	**11**	**13**	**22**	**62**	**106**	**58**	**283**	**1**	**183**	**4**	**123**	**2**	**169**	**482**	**765**

Annex IX

Response of the Secretariat to General Assembly resolution 57/304 on the information and communication technology strategy

In paragraph 4 of the resolution, the General Assembly requested the Secretary-General to provide further information and to make proposals, to be considered in the context of the proposed programme budget for the biennium 2004-2005, on the further strengthening of governance and central leadership arrangements, including a mechanism to assess the results achieved and apply the lessons learned and the suggestion made by the Advisory Committee on Administrative and Budgetary Questions that the head of the Information Technology Services Division of the Office of Central Support Services be enabled to act as a chief information and communication technology officer of the United Nations, and requested the Secretary-General also to make proposals on how best to reflect this function in the organizational structure of the Organization.

The Project Review Committee of the Information and Communications Technology Board, which is currently being established, provides the head of the Information Technology Services Division, as chair of this committee, with a strong, central authority over information and communication technology initiatives in the global Organization.

The head of the Division currently has the authority to propose ICT standards, which are decided upon by the Board. The Project Review Committee will enforce those standards on ICT initiatives under review. The Division has implemented, with the cooperation of ICT managers throughout the Organization, an ICT assets database. The appropriate use of this system will be assessed by the Committee as part of its review process for each initiative, ensuring that past or ongoing ICT investments are leveraged and that new initiatives are combined, when appropriate, forestalling duplication of effort.

The methodology to be applied by the Project Review Committee will track the entire life cycle of all initiatives, from developing the business case and proving return on investment through the review of all its deliverables. All initiatives will include a final lessons-learned section.

All documentation related to ICT initiatives will be stored in the ICT assets database for the record and for future reference.

In paragraph 5 of the resolution, the General Assembly requested the Secretary-General to ensure that the information and communication technology requirements for the various duty stations and the regional commissions, in particular those located in developing countries, were fully integrated into the strategy, and that appropriate provision was made to allow the implementation of information and communication technology in those offices.

Investments in infrastructure, especially telecommunications, to enable robust connectivity to all duty stations and peacekeeping missions have been integrated into this strategy and have been reflected in the proposals included in the 2004-2005 proposed programme budget in all its relevant sections. Data traffic capacity to and from all duty stations will be significantly enhanced through the acquisition of additional bandwidth over satellite circuits as well as over leased lines.

In paragraph 6 of the resolution, the General Assembly requested the Secretary-General to provide, in the context of the proposed programme budget for the biennium 2004-2005, the following additional information:

(a) **An update on the status of projects identified in the strategy;**

(b) **The return on investment anticipated for planned and proposed major projects, in terms that were as quantitative as possible;**

(c) **Specific plans to strengthen the information and communication technology infrastructure and the functionality this would provide, measures to strengthen system security and the means to ensure system reliability and maintenance, indicating, where possible, how they compared with practices in similar organizations;**

(d) **The specific objectives for the planned or proposed further development of connectivity with the various duty stations, field missions, regional commissions, the International Court of Justice, the International Tribunal for the Former Yugoslavia and the International Tribunal for Rwanda.**

The methodology applied to project return on investment and to prioritize initiatives is based on the benefits that each initiative is anticipated to generate. In the absence of quantitative measures, the strategy utilizes four return indicators: service improvement: quicker access to information and/or higher quality services; process streamlining, eliminating duplication and having the potential for redeployment of resources; leveraging past investments and extending the life of current systems; and strong enabler in the decision-making process.

The proposed programme budget includes provisions for a significant enhancement of the infrastructure throughout the system. The proposals and the expected functionality, which are identified in the ICT strategy document include:

- *Migration to Windows 2000*: The migration to this operating system and its adoption as standard throughout the Secretariat (worldwide) will provide significantly higher desktop computer reliability.
- *Migration to storage area networks*: The installation of storage area networks will allow a significant reduction in the use of individual servers and will add reliability to data-centre operations. This architecture enables the sharing of high-performance common storage facilities by all software applications leading to a more cost-effective utilization of available electronic storage space.
- *Redundancy of mission-critical hardware*: The implementation of clusters of servers provides the capability of automatically switching to a different server in the event of malfunctioning. This technology will be used to enable the uninterrupted operation of mission-critical systems.
- *Multi-point digital videoconferencing*: The installation of current generation videoconferencing equipment and its underlying telecommunication infrastructure will allow better transmission quality and permit the use of this medium to connect a greater number of sites simultaneously.

- *Multi-layer Internet firewalls*: The installation of multi-layer Internet firewalls will provide enhanced network security and the ability to ensure secure and reliable field connectivity.
- *Advanced virus protection*: The implementation of current-generation anti-virus technologies, coupled with the automated periodic distribution of virus-specific updates, will enable greater protection against viruses disseminated through the Internet and against unsolicited mail (spam).
- *ODS servers*: The proposed addition of eight high-end servers will allow free and open access to ODS.

The proposed programme budget also includes provisions to substantially augment the capacity of the connectivity with regional commissions, peacekeeping missions and tribunals.

In paragraph 7 of the resolution, the General Assembly requested the Secretary-General to address, in the context of the proposed programme budget for the biennium 2004-2005, the optimum placement in the Organization of technical functions currently housed in the Information Technology Services Division that were not information and communication technology functions.

Plans are being considered for the placement of support activities, which are not common information technology functions, in other areas of the Office of Central Support Services. These functions include sound engineering and related conference/meeting support activities.

Annex X

Significant workload indicators for section 2, General Assembly affairs and conference services, of the proposed programme budget for the biennium 2004-2005

General Assembly and conference management, New York

A. Workload indicators for meetings held at Headquarters[a] (subprogramme 2, Planning, development and coordination of conference services)

(Number of meetings)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
Calendar meetings[b]					
With interpretation	6 081	5 763	6 426	6 400	6 400
Without interpretation	1 583	1 660	1 897	2 000	2 000
Subtotal	**7 664**	**7 423**	**8 323**	**8 400**	**8 400**
Non-calendar meetings					
With interpretation	803	846	925	1 000	1 000
Without interpretation	2 250	2 298	2 344	2 600	2 600
Subtotal	**3 053**	**3 144**	**3 269**	**3 600**	**3 600**
Calendar and non-calendar meetings					
With interpretation	6 884	6 609	7 351	7 400	7 400
Without interpretation	3 833	3 958	4 241	4 600	4 600
Total	**10 717**	**10 567**	**11 592**	**12 000**	**12 000**

[a] Calendar meetings are meetings of intergovernmental or expert United Nations bodies, regardless of the nature of the meetings (formal, informal consultations, etc.). Non-calendar meetings are all other meetings, including mainly meetings of regional groups, other groups of Member States or intergovernmental organizations and meetings organized by the Secretariat at its own initiative. Non-calendar meetings are provided with conference services on an as-available basis.

[b] Includes meetings held away from Headquarters serviced by Headquarters staff.

B. Workload indicators for translation services at Headquarters (subprogramme 3, Translation and editorial services)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
(a) Translation (thousands of words)					
Staff					
Arabic	29 830	30 638	29 852	29 000	29 000
Chinese	28 742	28 351	29 776	29 000	29 000
English	5 958	6 969	7 007	7 000	7 000
French	29 631	29 476	29 349	30 000	30 000
Russian	28 760	29 896	30 566	30 000	30 000
Spanish	30 459	28 964	30 698	32 000	32 000
Subtotal	**153 380**	**154 294**	**157 248**	**157 000**	**157 000**
Contractual[a]					
Funded by the Department for General Assembly and Conference Management	27 461	32 976	39 985	35 500	42 000
Funded by other offices	1 289	642	982	348	700
Subtotal	**28 750**	**33 618**	**40 967**	**35 848**	**42 700**
German translation (extrabudgetary)	1 704	1 694	1 688	1 700	1 700
Total (a)	**183 834**	**189 606**	**199 903**	**194 548**	**201 400**
(b) Editorial (thousands of words)					
Parliamentary and other documentation	28 373	40 118	44 824	48 000	48 000
Official records	108 902	66 955	37 019	40 000	40 000
Total (b)	**137 275**	**107 073**	**81 843**	**88 000**	**88 000**
(c) Drafting of summary records (number of meetings)	837	848	889	950	950

[a] Total workload sent to contractors during each biennium.

C. Workload indicators for interpretation, verbatim reporting and reproduction services at Headquarters (subprogramme 4, Interpretation, meeting and publishing services)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
(a) Interpretation (number of assignments)					
Calendar meetings	69 969	65 901	76 841	75 250	75 250
Non-calendar meetings	5 104	5 829	6 154	6 100	6 100
Total (a)	**75 073**	**71 730**	**82 995**	**81 350**	**81 350**
(b) Verbatim reporting (number of meetings with verbatim records)	618	618	746	800	800
(c) Text-processing (thousands of words)					
Staff	295 044	312 943	332 821	320 000	320 000
Contractual[a]	45 120	52 266	65 095	35 700	35 700
Total (c)	**340 164**	**365 209**	**397 916**	**355 700**	**355 700**
(d) Reproduction (thousands of page impressions)	1 125 617	1 040 377	1 005 586	1 082 000	1 082 000
(e) Distribution (thousands of items processed)	88 700	90 590	86 784	83 000	83 000
(f) Copy preparation and proof-reading (number of pages)	312 396	325 345	299 937	300 000	300 000

[a] Includes work done on a reimbursable basis.

Conference and library services, Geneva

D. Workload indicators for meetings held at Geneva[a] (subprogramme 1, Planning, development and coordination of conference services)

(Number of meetings)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
Calendar meetings[b]					
With interpretation	4 954	4 586	4 742	4 850	4 850
Without interpretation	6 928	6 931	9 085	6 000	8 500
Subtotal	**11 882**	**11 517**	**13 827**	**10 850**	**13 350**
Non-calendar meetings					
With interpretation	476	747	672	650	650
Without interpretation	1 899	2 890	2 767	3 700	3 000
Subtotal	**2 375**	**3 637**	**3 439**	**4 350**	**3 650**
Calendar and non-calendar					
With interpretation	5 430	5 333	5 414	5 500	5 500
Without interpretation	8 827	9 821	11 852	9 700	11 500
Total	**14 257**	**15 154**	**17 266**	**15 200**	**17 000**

[a] Including extrabudgetary meetings.

[b] Calendar meetings are meetings of intergovernmental or expert United Nations bodies, regardless of their nature.

E. Workload indicators for translation services at Geneva (subprogramme 2, Translation and editorial services)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
(a) Translation (thousands of words)					
Staff					
Arabic	13 836	12 555	14 027	12 500	13 000
Chinese	11 490	12 424	14 005	10 800	12 600
English	8 740	8 266	7 663	8 350	8 200
French	23 872	22 508	21 781	22 300	22 000
Russian	24 808	23 898	23 954	24 350	24 200
Spanish	18 472	17 966	18 562	17 700	18 000
Subtotal	**101 218**	**97 617**	**99 992**	**96 000**	**98 000**
Contractual	7 868	7 545	7 057	10 000	9 000
Total	**109 086**	**105 162**	**107 049**	**106 000**	**107 000**
(b) Editorial (thousands of words)					
Staff	19 851	25 137	26 025	21 700	27 000
Contractual	-	1 201	398	-	330
Total	**19 851**	**26 338**	**26 423**	**21 700**	**27 330**

F. Workload indicators for interpretation and reproduction services at Geneva (subprogramme 3, Interpretation, meeting and publishing services)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
Interpretation (number of assignments)					
Calendar meetings	46 651	42 637	44 566	45 500	45 500
Non-calendar meetings	4 482	6 944	5 891	6 000	6 000
Total	**51 133**	**49 581**	**50 457**	**51 500**	**51 500**
Text-processing (thousands of words)					
Staff	185 609	180 340	181 989	175 500	181 000
Contractual	14 000	25 392	16 993	18 500	18 000
Total	**199 609**	**205 732**	**198 982**	**194 000**	**199 000**
Copy preparation and proof-reading (number of pages)	**110 400**	**94 239**	**89 218**	**103 000**	**83 000**
Reproduction (thousands of page impressions)	**545 021**	**513 372**	**525 702**	**500 000**	**500 000**
Distribution (thousands of items processed)	**33 511**	**33 746**	**27 341**	**32 000**	**30 000**

G. Workload indicators of the Geneva Library (subprogramme 4, Library services)

	1998-1999 actual	*2000-2001 actual*
Number of recurrent publications (issues produced)	124	124
Number of recurrent CD-ROM and other electronic issuances	7	-
Number of library guided tours	5 245	4 539
Number of training tools prepared	4	4
Number of special events serviced	4	4
Selection of material for library collections		
Number of books purchased	3 244	3 613
Number of gifts and exchanges	3 476	3 547
Acquisition of documents and publications		
Number of government documents and periodicals	161 793	149 676
Number of United Nations system documents	256 897	273 154
Number of collection materials processed		
Cataloguing records (books, serials)	9 321	8 724
Indexing (United Nations documents)	12 757	13 803
Indexing (periodical articles)	6 120	6 538
Multimedia information support services		
Number of reference queries responded to	132 687	109 436
Number of library users serviced	169 904	159 847
Loan, photocopy and routing services		
Number of loans	48 354	35 587
Reading room usage	242 933	268 558
Periodical routing	56 967	50 844
Number of pages photocopied	1 661 421	1 668 375
Number of training seminars conducted	6	6

Conference and library services, Vienna

H. Workload indicators for meetings held at Vienna (subprogramme 1, Planning, development and coordination of conference services)

(Number of meetings)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
United Nations meetings					
With interpretation	686	837	952	992	1 023
Without interpretation	1 893	2 147	2 158	2 208	2 277
Subtotal	**2 579**	**2 984**	**3 110**	**3 200**	**3 300**
United Nations Industrial Development Organization meetings					
With interpretation	199	93	94	82	76
Without interpretation	1 217	718	456	398	374
Subtotal	**1 416**	**811**	**550**	**480**	**450**
Comprehensive Nuclear-Test-Ban Treaty Organization meetings					
With interpretation	71	130	181	202	202
Without interpretation	238	600	480	548	548
Subtotal	**309**	**730**	**661**	**750**	**750**
Total with interpretation	956	1 060	1 227	1 276	1 301
Total without interpretation	3 348	3 465	3 094	3 154	3 199
Grand total	**4 304**	**4 525**	**4 321**	**4 430**	**4 500**

I. Workload indicators for translation and editorial services at Vienna (subprogramme 2, Translation and editorial services)

(Thousands of words)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
(a) Translation					
Staff					
United Nations	20 784	20 222	24 227	23 966	24 736
UNIDO	6 372	3 430	3 728	3 564	3 726
Comprehensive Nuclear-Test-Ban Treaty Organization	635	2 834	3 670	4 455	3 564
Subtotal	**27 791**	**26 486**	**31 625**	**31 985**	**32 026**
Contractual					
United Nations	4 388	8 354	4 424	4 229	5 066
UNIDO	2 390	663	459	396	414
Comprehensive Nuclear-Test-Ban Treaty Organization	499	1 174	228	495	396
Subtotal	**7 277**	**10 191**	**5 111**	**5 120**	**5 876**
Staff and contractual					
United Nations	25 172	28 576	28 651	28 196	29 802
UNIDO	8 762	4 093	4 187	3 960	4 140
Comprehensive Nuclear-Test-Ban Treaty Organization	1 134	4 007	3 898	4 950	3 960
Total (a)	**35 068**	**36 677**	**36 736**	**37 106**	**37 902**
(b) Editorial					
Staff					
United Nations	4 585	5 295	3 789	3 870	3 870
UNIDO	1 853	202	463	360	360
Subtotal	**6 438**	**5 497**	**4 252**	**4 230**	**4 230**
Contractual					
United Nations		593	316	430	430
UNIDO		299	139	40	40
Subtotal		**892**	**455**	**470**	**470**
Staff and contractual					
United Nations	4 585	5 888	4 105	4 300	4 300
UNIDO	1 853	501	602	400	400
Total (b)	**6 438**	**6 389**	**4 707**	**4 700**	**4 700**

J. Workload indicators for interpretation and reproduction services at Vienna (subprogramme 3, Interpretation, meeting and publishing services)

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
(a) Interpretation (interpreter assignments)					
United Nations	6 958	9 142	9 428	8 568	9 800
UNIDO	1 701	799	1 224	1 156	1 120
IAEA	4 282	2 554	3 328	3 944	3 360
Comprehensive Nuclear-Test-Ban Treaty Organization	757	1 806	3 083	3 468	3 878
Total (a)	**13 698**	**14 301**	**17 063**	**17 136**	**18 158**
(b) Text-processing (thousands of words)					
Staff					
United Nations	44 541	45 820	54 803	48 766	50 834
UNIDO	16 643	9 778	8 936	7 770	7 770
Comprehensive Nuclear-Test-Ban Treaty Organization	1 339	6 086	7 756	8 910	8 910
Subtotal	**62 523**	**61 684**	**71 495**	**65 446**	**67 514**
Contractual					
United Nations	8 605	8 286	9 927	8 606	10 411
UNIDO	3 812	1 522	1 128	863	863
Comprehensive Nuclear-Test-Ban Treaty Organization	670	1 402	247	990	990
Subtotal	**13 087**	**11 210**	**11 302**	**10 459**	**12 264**
Staff and contractual					
United Nations	53 146	54 106	64 730	57 372	61 246
UNIDO	20 455	11 300	10 064	8 633	8 633
Comprehensive Nuclear-Test-Ban Treaty Organization	2 009	7 488	8 003	9 900	9 900
Total (b)	**75 610**	**72 894**	**82 797**	**75 905**	**79 779**
(c) Copy preparation (thousands of words)					
Staff					
United Nations	7 736	8 847	5 377	6 000	6 500
UNIDO	4 954	2 520	2 305	2 300	2 300
Comprehensive Nuclear-Test-Ban Treaty Organization	10	438	13	45	50
Subtotal	**12 700**	**11 805**	**7 695**	**8 345**	**8 850**

	1996-1997 actual	*1998-1999 actual*	*2000-2001 actual*	*2002-2003 estimate*	*2004-2005 estimate*
Contractual					
United Nations		2 686	4 005	4 000	4 000
UNIDO			67	100	150
Comprehensive Nuclear-Test-Ban Treaty Organization			59	-	-
Subtotal		**2 686**	**4 131**	**4 100**	**4 150**
Staff and contractual					
United Nations	7 736	11 533	9 382	10 000	10 500
UNIDO	4 954	2 520	2 372	2 400	2 450
Comprehensive Nuclear-Test-Ban Treaty Organization	10	438	72	45	50
Total (c)	**12 700**	**14 491**	**11 826**	**12 445**	**13 000**
(d) Reproduction (thousands of page impressions)					
United Nations	60 837	60 484	56 444	55 876	44 000
UNIDO	41 341	22 101	14 701	16 500	14 700
Comprehensive Nuclear-Test-Ban Treaty Organization	1 971	4 691	2 382	6 000	2 430
Subtotal	**104 149**	**87 276**	**73 527**	**78 376**	**61 130**
High-speed photocopying					
United Nations	16 632	15 487	16 430	18 625	25 800
UNIDO	7 056	2 225	1 996	1 600	2 000
Comprehensive Nuclear-Test-Ban Treaty Organization	1 617	6 111	4 843	8 000	4 850
Subtotal	**23 305**	**23 823**	**23 269**	**28 225**	**32 650**
Total (d)	**129 454**	**111 099**	**96 796**	**106 601**	**93 780**

Conference services, Nairobi

K. Workload indicators of the Division of Conference Services, United Nations Office at Nairobi

	2000-2001 actual	*2002-2003 estimated*	*2004-2005 estimated*
Calendar meetings with interpretation (number of meetings)	89	88	92
Non-calendar meetings with interpretation (number of meetings)	632	756	794
Non-calendar meetings without interpretation (number of meetings)	1 728	1 769	1 857
Multilingual meetings with remote translation held outside Nairobi (number of meetings)	144	271	298
Documents edited and translated into six languages (thousands of words)	14 640	23 172	25 490
Outsourced translation (thousands of words)	2 928	5 047	10 094
Output of printing shop (millions of pages)	115	90	90

Annex XI

Letter from the Chairman of the Advisory Committee on Administrative and Budgetary Questions to the Secretary-General dated 18 November 2002

The Advisory Committee on Administrative and Budgetary Questions has considered the Controller's letter of 5 November 2002, seeking the concurrence of the Committee to enter into commitments not exceeding $64,000 to cover expenses occasioned by the designation of two ad hoc judges in connection with the case concerning *Land and Maritime Boundary between Cameroon and Nigeria (Cameroon v Nigeria: Equatorial Guinea intervening)*.

As recalled in the Controller's letter, paragraph 1 (b) (i) of General Assembly resolution 56/256 of 24 December 2001 on unforeseen and extraordinary expenses stipulates that prior concurrence of the Advisory Committee is not necessary for such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by the designation of ad hoc judges, not exceeding a total of $330,000.

The Advisory Committee notes from the Controller's letter that as total expenses amounting to $329,200 have already been incurred in respect of the designation of ad hoc judges in 2002, the additional requirements of $64,000 now being requested cannot be funded through the commitment authority granted to you under the above resolution.

With regard to the amounts referred to in the commitment authority granted to you under paragraph 1 of General Assembly resolution 56/256, the Committee was informed that the established practice has been that expenses incurred during the first year of the biennium are reported in the context of the first performance report and, consequently, are included in the revised appropriations. This in effect renews the commitment authority and allows you to enter into further commitments, as needed, in the second year of the biennium, starting from a zero basis and up to the total amounts stipulated in paragraph 1 (b) of the resolution. These latter expenses are then reported in the context of the second performance report.

Under the circumstances, the Advisory Committee concurs in your request to enter into commitments in an amount not exceeding $64,000, to cover expenses occasioned by the designation of two ad hoc judges in connection with the case of *Cameroon v Nigeria: Equatorial Guinea intervening*.

C. S. M. **Mselle**
Chairman